دار الشروق

(FT)

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NEWS SUMMARY

GENERAL

Belgium poised for general election

Belgium's political crisis worsened yesterday as the country waited for a call for a general election on November 8.

Mr Willy Claes, Economic Affairs Minister in the outgoing government, advised King Baudouin that there was no possibility of repairing the coalition split. The fear is that the voting will accentuate the rivalries between Belgium's Dutch-speaking Flemish and French-speaking Walloon communities and push the Walloon community towards secession. This would destroy the 150-year-old Belgian state's unity. **Back Page**

No Times again

Threatened suspension of all 4,000 Times and Sunday Times employees was lifted but The Times was not published for the second day running. **Back Page**

Dissidents quit

Disbandment of Poland's dissident group, the Workers' Defence Committee, was announced by co-founder Professor Edward Lipsinki, aged 91, at Solidarity's conference. **Page 2.** In Vienna Western bankers opened new talks about deferring repayment of $2.4bn of Polish commercial debt.

Policeman killed

AN IRA rocket attack on a police Land-Rover killed Constable Alexander Beck, 37, and injured another policeman in West Belfast.

IRA man jailed

IRA man Robert Murphy, 23, was jailed for life yesterday after changing his plea to guilty of the manslaughter of 12 people who died in the bombing of the La Mon Restaurant.

TUC pay move

The TUC proposed a system of pay determination for the 1m-plus National Health Service employees aimed at reducing the need for disputes. **Page 9**

New skyship flies

Skyship 500, first of a new generation of British airships, made a successful maiden flight from Cardington, Bedfordshire. **Page 7**

Shergar retires

Dual Derby winner Shergar will not run again. The Aga Khan's great colt will not run in the Prix de L'Arc de Triomphe. **Page 12**

Coe for life ban

Sebastian Coe, Britain's multiple world record holder, called for a life ban on any athlete, coach or team doctor involved in drug taking.

Polish runner dies

Bronislaw Malinowski, 30, Poland's 1980 Olympic 3,000 metres steeplechase winner, was killed in a car crash.

Top-level tippling

Business executives are particularly vulnerable to pressures leading to alcoholism and problem drinking often plays an important role in office politics a conference was told yesterday.

Up to scratch

Top academic state schools did nearly as well as fee-paying independents in examinations last year according to Education Department statistics.

Briefly . . .

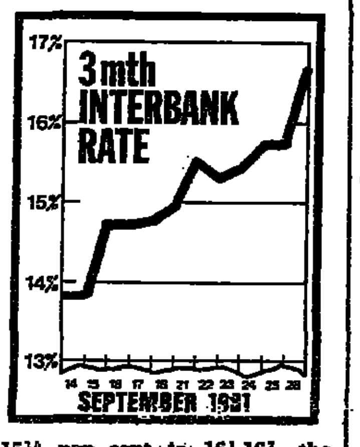
New Zealand will hold a general election on November 28, Prime Minister Robert Muldoon said.

270 Valencia inmates joined 2,000 Barcelona prisoners in a three-day-old hunger strike

BUSINESS

Real oil prices may fall —Yamani

- **SAUDI ARABIAN** Oil Minister Sheikh Ahmed Zaki Yamani forecast oil prices until 1986 might fall in real terms. He hoped Opec would unify prices before the end of 1981. **Back Page; warning on oil glut dangers, Page 8**
- **EQUITIES continued to fall sharply, with the FT 30-share index down 17.2 at 457.5. Page 30**
- **GILTS also weakened—the Government Securities Index shed 0.66 to 60.45. Page 30**
- **STERLING fell 60 points to $1.78 but rose to DM 4.1625 (DM 4.145) and FFr 9.975 (FFr 9.935). Its trade-weighted index was unchanged at 86.4. Page 23**
- **DOLLAR** rose to **DM 2.338 (DM 2.321) SwFr 1.979 SwFr 1.97) and. Y232.4 (Y229.75). Its trade-weighted index was 109.7 (108.9). Page 23**
- **THREE-MONTH INTERBANK** rates rose from 15⅝-15¾ per cent to 16⅝-16¾. the highest since last November. Page 23



- **GOLD fell $23.5 in London to $423. In New York, the Comex October close was $431. Page 23**
- **WALL STREET was down 1.52 at 822.49 near the close. Page 28**
- **CONTINENTAL ILLINOIS** cut its prime rate from 19½ per cent to 19.
- **FIAT** plans to raise L200bn (£95m) through an index-linked bond on the Milan capital market. **Page 26**
- **LLOYD'S OF LONDON** has angered Israeli banks and insurance brokers by withdrawing cover on some bank loans to the country's diamond industry. **Page 3**
- **NIGERIA** plans to build five commercial vehicle plants in the next two years with Japanese and French involvement. **Back Page**
- **BRITISH MIDLAND** Airways will expand its route network and re-enter the Mediterranean holiday flights market. **Page 7**
- **STATE INDUSTRY** board members below chairman rank want big pay rises "as a matter of urgency." **Page 8**
- **BRITISH SHIPBUILDERS** unions won support from four in five members for a one-day strike in protest over closure of the Robb Caledon yard, Dundee. **Back Page**
- **CARRIAN INVESTMENTS** of Hong Kong plans to buy property and share interests from holding company Carrian Holdings through a HK$1.33bn (£119m) share issue. **Page 27**
- **BEREC GROUP**, fighting a £73m bid from Hanson Trust, forecast a 40 per cent jump to £14m in pre-tax profits for the year to February 27, 1982. **Page 22**
- **LESNEY PRODUCTS**, the toy maker, suffered pre-tax losses of £3.87m (£5.94m) for the 24 weeks to July 12. **Page 20**

Loss of confidence by smaller investors

Shares drop sharply world-wide

BY DUNCAN CAMPBELL-SMITH

A MASSIVE LOSS of confidence among smaller investors hit the world's stock markets yesterday, sweeping share prices sharply lower in most major financial centres.

Dramatic falls in the stock exchanges of the Far East set the early pace in London, where the FT Industrial Ordinary index at noon had lost 6.2 per cent of its value against Friday night's close.

Shares recovered slightly toward the close in London with the index recording a 17.2-point fall to 457.5 on the day. This brought its cumulative decline to 95.9 points, or 17.3 per cent, in the 11 trading days since the Bank of England moved on September 14 to push interest rates higher.

The three-month sterling interbank rate rose ¾ of a percentage point to 16¾ per cent by noon, and gilts fell by up to 1½ in heavy early morning trading. They recovered a little in mid-afternoon but the FT Government Securities index still showed a fall of 0.66 at the close to 60.45, its lowest level since January 4, 1977.

On Wall Street the Dow Jones index opened sharply lower, but managed to recover in early trading after being 14 points down. Unrelieved pessimism in the credit markets brought Treasury bonds to a record low.

Among other market indices:

- Tokyo's Nikkei Dow stock market indicator lost 302.84 to 7,037.12, the steepest one-day drop in its history, bringing its decline to more than 1,000 points since the index reached its all-time peak in August.
- Hong Kong's Hang Seng index closed down 105.75 points at 1,245.26, its biggest drop since April 1973. It now stands at its lowest level since last December, having reached a new high only two months ago.
- Australian shares fell across the board, with all major indices at their lowest levels this year, and the Sydney stock market Australian All Ordinaries down almost 20 points to 563.5.
- Singapore's Straits Times index fell 15.23 to 650.81, despite a shake-out in July and August which had already cut the index's value by nearly a third.
- Sharp falls were recorded on the stock markets in Paris, Frankfurt, Basle, Zurich and Amsterdam.

Eurobonds were affected by the general mood, with some new issues marked down as much as two points in the dollar sector.

Trading in the dollar secondary market lowered prices by about one point generally, and left five-year bonds yielding up to one point more than the 16¼ per cent available on five-year Eurodollar deposits.

On the London stock market the news from the Far East only confirmed a widespread despondency prompted by almost wholly negative Press comment at the weekend, discouraging economic news from the U.S., and fears of a renewed collapse on Wall Street.

Brokers attached little importance to the result of the Labour Party deputy leadership election, but there was much talk of the "weak Monday syndrome"—a market overshadowed by a weekend's brooding about economic realities, in this case high real interest rates.

Heavy selling hit the market in the first hour and returned in a second wave after a weak technical rally faltered in mid-morning.

By noon the FT Industrial Ordinary Index was off 29.4, at 445.3. Jobbers and brokers waited fearfully for Wall Street's opening, mindful of one much discussed pundit's prophecy that it would be the market's worst day on record.

While many leading stocks,

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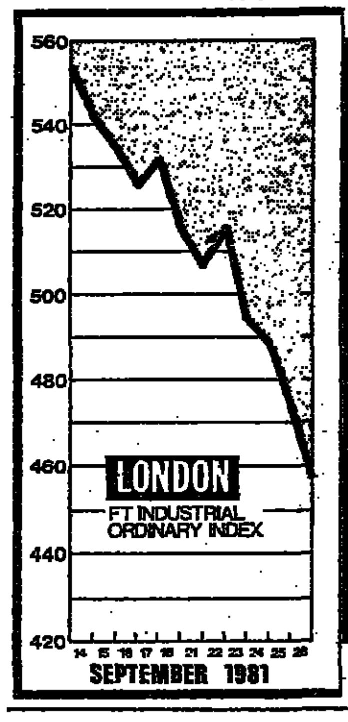

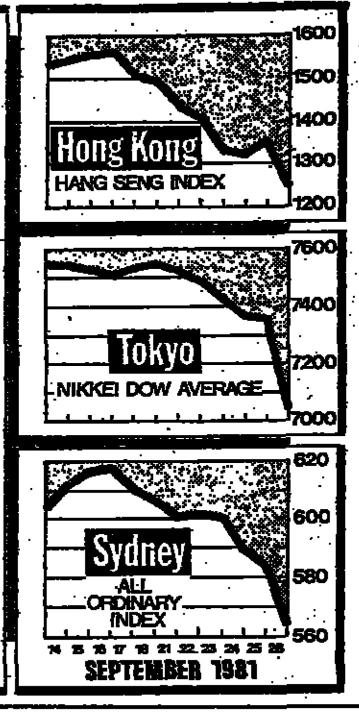

SLIDE HITS NEW ISSUES

BY IAN RODGER

THE SLIDE in share prices is seriously upsetting the new issue market.

Yesterday it was revealed that Trusthouse Forte's £87m rights issue, which closed last Friday, was less than three-quarters subscribed. Other big rights issues still open, including offers from John Brown, BICC and Morgan Crucible, are also looking vulnerable following significant declines in their share prices.

This week's scheduled flotation of Habitat, the home furnishings group, may not be as popular as hoped. Others in the planning stages, including Cable and Wireless, the Government-owned international tele-communications group, and money brokers Astley and Pearce, may have to be postponed unless markets improve.

THF shares held up fairly well last week but then fell below the 112p rights price on Friday afternoon. However, 71.4 per cent of the 77.8m new shares were taken up. Yesterday the hotel and catering company's shares fell a further 2p to 107p.

Morgan Crucible's £10.8m rights issue, which closes tomorrow, is looking very shaky. The furnace components and thermal products group's shares fell 12p yesterday to 92p, well below the 107p price on the rights shares.

The £60.5m rights offer from cable-makers BICC closes on Friday and the shares, at 219p yesterday, are slightly below the 225p rights price. Engineering group John Brown's shares, at 69½p, are also below the 76p price on the shares in its £24.9m rights issue, but the offer does not expire until October 13.

Gain by dollar—gold falls

By Anatole Kaletsky and John Edwards

THE DOLLAR strengthened against all major currencies yesterday and the price of gold fell $23.50 from Friday's London closing level to $423 an ounce.

Dealers were responding to indications from the Eurodollar market and the International Monetary Fund conference in Washington that interest rates may remain high in the U.S. for some time to come.

The decision by Continental Illinois Bank of the U.S. to reduce its prime rate from 19½ per cent to 19 per cent, the first cut to 19 per cent to be made by a major bank, did not

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Further Labour conflict ahead as Benn presses on

BY RICHARD EVANS AND ELINOR GOODMAN

THE PROSPECT of conflict in the Labour Party was renewed yesterday when Mr Tony Benn signalled his determination to press ahead with his campaign for conference decisions to be implemented.

But his narrow defeat by Mr Denis Healey in the contest for the deputy leadership has opened up a ne wsplit within the Labour Left, and presented Mr Benn with acute tactical problems.

As the party conference in Brighton passed a fiercely left-wing economic resolution against the adviceo f the leadership, moderate MPs were still looking for further evidence that the tide has finally turned in their favour. The esolution called for an immediate 35-hour working week without loss of earnings, additional holidays, and control of the export of capital.

There was no idication from the major economic debate that the grip of the Left had been weakened.

Mr Healey received a lukewarm response to his call for party unit. Mr Benn received a rapturous reception when he rewened his demand for more accountability to the conference from the Parliamentary leadership.

Mr Benn's theme was that attacks on Mrs Thatcher's policies—such as the one mounted by Mr Healey yesterday—were empty rhetoric unless they were mirrowed by the policies advocated by the conference, and by a commitment of a future Labour Government to implement those policies.

The battle between Left and Right for control of the Labour Party will continue unabated both on policy issues and on constitutional reform. One key decision to be taken this week is on the drafting of the manifesto which the Left wants put firmly into the hands of the National Executive Committee.

Mr Benn will leave open for some time his option on whether to challenge Mr Healey again next year. Many of his closest advisors believe he should fight for the deputy leadership again because of the narrowness of his defeat. They regard his poll of 49.5 per cent as a moral victory.

But Mr Benn is already coming under strong pressure from Left-wing MPs not to stand. There are signs that the loose alliance of groupings of the Left, which have provided so much support for him, is coming apart.

The problem is that on the evidence of fringe meetings at Brighton it will be extremely difficult to stop the Left-wing bandwagon. Activists in the

Continued on Back Page

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UK backing for $ intervention

BY DAVID MARSH

BRITAIN APPEARS to be moving into line with other EEC countries in opposing the U.S. Government's policy of leaving the dollar's exchange rate to be determined purely by market forces.

Following the pound's latest bout of weakness, British Treasury officials gathering in Washington for the annual meeting of the International Monetary Fund and the World Bank, talk more favourably than a few months ago about the benefist of "smoothing" intervention on the currency markets to curb sharp fluctuations.

Sir Geoffrey Howe, the Chancellor of the Exchequer, did however make it clear at last week's meeting of Commonwealth Finance Ministers in Nassau, that he remains opposed for the moment to sterling's entry into the European Monetary System.

The general feeling in Europe in favour of some intervention in the markets is in sharp contrast to the position of the U.S.

The Americans have intervened only once—on the day of the assassination attempt on President Reagan—since the new policy of leaving the dollar to the markets was formulated early this year.

Mr Beryl Sprinkel, Treasury Under-Secretary for Monetary Affairs, said at the weekend this policy will not change, in spite of the dollar's recent easing. Any Treasury commitment to intervene and buy or sell dollars would increase the uncertainty of foreign exchange traders and be counter to the U.S. aim of building "deep markets."

In his address to the IMF's policy-making interim committee at the weekend, Sir Geoffrey, speaking on behalf of the EEC—which Britain currently chairs, called for an "intensified dialogue" with the U.S. and other countries over currencies and interest rates.

Signalling a growing entente with France on these issues, M Jacques Delors, the French Finance Minister, told the Finance Minister, said it was "very good" that Sir Geoffrey had spoken out about high interest rates and erratic currency movements.

He was pleased and surprised that Britain had shown support for a World Bank energy affiliate, something the U.S. opposes and on which Britain has previously been lukewarm.

M Delors said France would persist in its proposals to increase the European Currency Unit's role in EEC monetary co-operation. He was in favour of Britain joining the EMS.

Trudeau 'not tied by convention'

BY JIM [illegible]USK IN OTTAWA

THE CANADIAN Supreme Court ruled yesterday that the plans of Mr Pierre Trudeau, the Canadian Prime Minister, to end Westminster's right to amend the Canadian constitution and to enact a Mill of Rights contravene constitutional convention.

The court voted 6-3 there was a constitutional convention Canada would not forward for Westminster approval constitutional resolutions affecting the 10 provinces' powers without obtaining the provinces' prior agreement.

By 7-2, however, the Justices found there was no binding legal requirement on the Federal Government to follow that convention.

The 168-page ruling has therefore come down on both sides of the constitutional divide along which Canada has been split since last October. It was then Mr Trudeau decided to proceed unilaterally, having failed to win over the provinces to his plan.

Canadians refer to the plan as "patriating" the constitution. This means giving their own institutions the right to change the rules according to which Canada is governed.

Because they have not been able to agree precisely how this should be done the practice has been for Westminster to pass amendments on Canadian request.

Generally it has been a matter of routine but in this instance all the provinces apart from Ontario and New Brunswick have fought tooth and nail against Mr Trudeau's proposals.

They are afraid that his package will diminish their own rights. Their opposition has found some support in the British Parliament.

The Supreme Court accepted the federal argument that the British North America Act 1867 did not require provincial consent before a constitutional resolution was forwarded to Westminster.

It agreed with the dissenting provinces however that past practice had been to obtain provincial approval for changes affecting provincial rights.

The court ruled unanimously that the current constitutional resolution affected provincial rights by imposing the Bill of Rights, which would limit the provinces' legislative authority, and an amending formula, which would define their constitutional powers.

The ruling has left both sides in Canada claiming victory.

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For latest Share Index phone 01-246 8026

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISE			Martin, Newsagent	190	— 36
Hallite	186	+ 53	News Intnl	85	— 8
FALLS			Prince Wales Htls	40	— 17
Treas 2pc IL	£87¾	— 1¼	RMC	156	— 21
BPB	228	— 17	Reed Intnl	210	— 23
Beecham	176	— 4	Royal Worcester	140	— 40
Bibby (J.)	210	— 34	Saatchi and Saatchi	230	— 35
Blue Circle	436	— 18	Schroders	395	— 30
BH Prop	640	— 65	Textured Jersey	65	— 18
Cornell Dresses	98	— 15	Thorn EMI	392	— 15
Farnell Elects	370	— 38	United Biscuits	98	— 9
Finlay (J.)	61	— 10	Berkeley Explor	207	— 53
Glaxo	338	— 22	Sovereign Oil	235	— 40
Gresham House	165xd	— 53	Cons Gold Fields	433xd	— 31
Hambro Life	322	— 31	De Beers Dfd	342xd	— 31
Haslemer Estates	344	— 24	Driefontein	£13¾	— 1¾
Hawker Siddeley	262	— 12	Otter Expln	50	— 12
Hunting Assed	230	— 35	RTZ	450	— 22
Inchcape	257	— 23	Rustenburg Plat	245	— 31
Lotus Car	20	— 6	Vaal Reefs	£35½	— 3
MEPC	187	— 9	Ventersport	559	— 110

هكذا من الأصل

Mitterrand offers cautious backing to Saudi peace plan

BY TERRY DODSWORTH IN PARIS

PRESIDENT François Mitterrand of France gave cautious backing yesterday to the Saudi Arabian peace plan for the Middle East, saying that it constituted a "useful point of departure" for a negotiated settlement of the problem. He made it clear, however, that disagreements remained over several details.

The President was commenting after a two-day visit to Riyadh in which he appears to have bridged successfully the gap which threatened to open up between the two countries in the wake of his election victory last May. Speaking at a Press conference yesterday, both M Mitterrand and Crown Prince Fahd, the author of the two-month old peace plan, emphasised the spirit of co-operation in which the talks had been conducted.

While no official communique was issued after the visit, President Mitterrand has clearly used the occasion to show that the Socialist Government in France was not swinging unequivocally towards a pro-Israeli policy.

He put the emphasis instead on France's mediating role in the region, saying that he would not abandon his friendship with Israel, but would use the same language to the Israelis as he had to the Saudi Government.

At the same time, President Mitterrand's support for the Fahd plan has effectively obliterated earlier commitments to the Camp David process which the Saudis find unacceptable.

Although both sides avoided direct reference to their points of disagreement, the French have made it clear that the main problem lies over the status of Jerusalem, which would become the capital of a Palestinian state under the Fahd plan.

The impact of the French stance over the peace plan, which advocates the creation of a Palestinian state and the withdrawal of Israel from the occupied territories, should become clearer during President Mitterrand's visit to Israel next January.

But in the meantime M Mitterrand appears to have stabilised the political base for the development of the important commercial links between the two countries.

France is now highly dependent on Saudi Arabia both as an oil supplier and as a market for its armaments and construction industries. It was partly the fear of a major breach between the two countries on the commercial front that led the French Government to choose Saudi Arabia for the President's first official overseas visit.

£1bn worth of exports expected from N-industry

BY OUR PARIS STAFF

FRANCE'S nuclear industry should run up exports worth about FFr 10bn (£1bn) a year during the whole of this decade. The industry will also raise the number of direct jobs it provides from 150,000 to 200,000, and could be saving the equivalent of FFr 50bn a year on fuel imports by 1990.

These estimates are among the main conclusions of a report on the nuclear industry produced by the French Atomic Energy Committee, an interdepartmental government organisation.

In making a strong case for continuing the present atomic energy programme, the report will provide ammunition for the pro-nuclear forces in the Government and Parliament. It comes only a fortnight before the National Assembly is due to debate energy policy and the contribution nuclear power should make to energy production.

Construction work on five nuclear sites is frozen as part of the Socialist Government's commitment to slow down the expansion of the industry until the question is fully debated. But there are signs that the Government is not in favour of drastic permanent cuts, despite pressure from the strong anti-nuclear element in the Socialist Party and the ecological movement.

Apart from the favourable impact o nthe balance of payments and employment, the committee argues that nuclear energy is much cheaper than the alternatives. Last year, it says, nuclear stations were producing 1 kilowatt hour of energy for 16.5 centimes coal-burning stations for 29 centimes and oil-powered plants for 58 centimes.

In addition, France has secure supplies of uranium, with sufficient stocks for five years compared with a few months for the oil industry.

The committee adds that the nuclear industry has a good record on safety, comparing favourably with alternative forms of energy. But it admits that the industry needs stronger public approval, and says that a big effort at information and explanation should be undertaken.

More violent terrorism ahead, says Dutch official

BY CHARLES BATCHELOR IN AMSTERDAM

FURTHER GROWTH in acts of terrorism and an increase in the violence used are forecast by an eminent Dutch psychiatrist. The poor state of the world economy and a society structured to alienate the individual provide fertile ground for an increase in terrorist activity. Dr Dick Mulder, a Government psychiatrist, says in "People involved in hostage-taking," published yesterday.

Dr Mulder led the government negotiating teams in a number of protracted hostage-taking incidents staged by South Moluccan extremists during the 1970s. Co-authors of the book are three university psychologists who were involved in treating the victims of the South Moluccans' actions.

The failure of previous acts of terrorism to achieve significant results means that potential terrorists are now looking for new methods of achieving an effect. The present period of calm will probably be succeeded by even more extreme forms of action, Dr Mulder says.

A particular danger is likely to be presented by the charismatic leaders of religious sects who use modern methods to recruit followers. Sect members are frequently robbed of their personality and lose their individual identity—a process which closely corresponds to what can happen within terrorist groups.

Women will also probably play a greater part in acts of terrorism than men and can be expected to be more cruel in their treatment of victims and more resolute in sticking to the aims which they have set themselves, Dr Mulder says.

To prevent minority groups such as the Moluccans from resorting to terrorism the understanding and tolerance of the local community is required. This can achieve more than the actiivties of the authorities or of politicians.

Dr Mulder advises against keeping kidnappings a secret from the press. Where the motive is criminal a publicity clamp-down works to the advantage of the kidnapper, he said. The authorities should keep the Press as informed as possible to prevent the growth of rumours.

The victims of hostage-takings and their families require quick and intensive help once they have been released, according to Dr W. van Dijk, Professor of Psychiatry at Groningen University. All the victims of the Muluccan actions complained of after-effects, including fear, difficulty in sleeping and physical ailments.

Russia 'will consult Malta

THE Soviet Union is said to have agreed to consult Malta on what steps should be taken in the event of the island's neutrality being threatened, writes our Valetta Correspondent.

This was claimed by Mr Dom Mintoff, the Maltese Premier,

Opposition outrage at FitzGerald proposals

BY STEWART DALBY IN DUBLIN

TO JUDGE by the intensity of the barrage which has greeted Dr. Garret FitzGerald's statement that he would like to change the Irish constitution to make reunification more attractive to the Protestant community in Northern Ireland, one would think he had invited Dr Ian Paisley to become Primate of All Ireland.

Mr Charles Haughey, leader of the main opposition party, Fianna Fail, replied to the Prime Minister's weekend statement with the words: "His statements are hysterical, unbalanced and destructive to the entire national interest in regard to Northern Ireland."

Yet, in essence, all Dr FitzGerald has said, both in his radio interview at the weekend and in an earlier newspaper interview, is that there are elements of the republic's national identity as enshrined in its constitution of 1937 which make it anathema to the Protestant majority in the north. Thus it virtually ensures that those Protestants will not want to sever links with Britain and become a minority in the republic.

Dr FitzGerald suggested that articles two and three of the constitution be amended and that something might possibly be done about the prohibition of divorce. He has not touched on the delicate issue of abortion which, like divorce, is not available in the republic, and has been oblique about the confused situation over contraception. Contraceptives, though widely used, are in theory only available on prescription for bona fide family planning purposes.

Articles two and three of the constitution are those which deal with the republic's claim to hold sovereignty over all 32 counties of Ireland, including the six which make up the current Ulster state.

A quick glance at Dr FitzGerald's personal and political background explain why he is making his statements. His mother's family are Ulster Protestants. He has spent more time in Ulster than most Irish politicians and he feels, rightly or wrongly, that he can speak to Protestants in a way that his predecessor, Mr Haughey, cannot.

Dr FitzGerald leads Fine, Gael, the party which is the descendant of the one which accepted the Anglo-Irish treaty of 1921, which partitioned Ireland into two states. Fianna Fail is a descendent of the group which never accepted the principle of the division of Ireland.

Dr FitzGerald feels strongly that the constitution which Fianna Fail introduced in 1937 is a sectarian one. With its claim to all 32 counties and its theological undertones the constitution as it now stands will forever alienate the Protestant community in the north, Dr FitzGerald believes.

While it is thought that Dr FitzGerald believes that the constitution should be changed in the hope that Protestants would then favour closer ties with the republic, his chances of achieving change at this time seem slim.

His coalition Government enjoys a thin majority in the 166-seat Dail (Parliament). He depends on the support of a handful of capricious independents to stay in power. Fianna Fail would strenuously oppose any changes as would the Catholic Church.

Over 95 per cent of Ireland's population is Catholic and a referendum—would probably —be required to make the changes.

Given the heavy legislative programme that Dr FitzGerald wants to push through in the next few months and given

Mr Charles Haughey: nati
interests at stake

his small parliamen majority, he might well de that discretion is the be part of valour and leave stitutional changes until more propitious time.

Solidarity told dissident group will disband

BY CHRISTOPHER BOBINSKI

POLAND'S longest-established dissident group, the Workers' Defence Committee (KOR), is to be disbanded. The decision was announced to delegates at the Solidarity union's congress in Gdansk yesterday by Professor Edward Lipinski, the 93-year-old economist and co-founder of the group.

The congress also heard a speech by Mr Zbigniew Dudziak, one of the founders of a movement to set up a trade union in Poland's police force. Mr Dudziak said his group "demanded that the police should not be used to put down working-class protests and that conflicts in society should be resolved through dialogue and not by force."

The KOR group was set up to organise financial and legal aid for workers who suffered as a result of demonstrations against food price rises in the summer of 1976. It underwent extreme harassment at the hands of the police and its members were arrested many times.

Since the foundation of Solidarity the group has all but suspended its activities but it nevertheless became a prime target of Soviet propaganda as "an anti-socialist force." Both the Polish and Soviet authorities are concerned at the influence some KOR activists like Mr Jacek Kuron enjoy in the union.

Prof Lipinski said that KOR's task was finished but its ideals would be continued by Solidarity.

Mr Dudziak, who like many other activists of the policemen's union has been sacked for his efforts, called on Solidarity to support his union's application for official recognition.

The movement started, he said, on May 26 this year and a national meeting was held in Warsaw on June 1 with 2,000 delegates representing some 40,000 policemen. Policemen, he said, wanted to establish a good reputation in the eyes of society. "Policemen have no privileges. We have housing problems and stand in queues like everyone else."

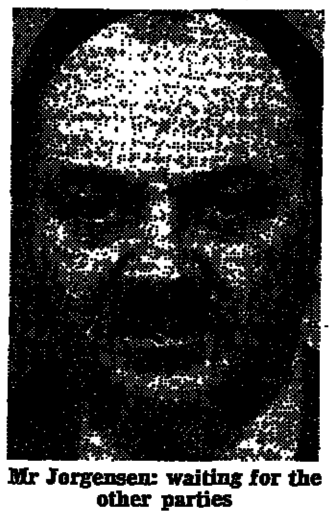
"We are not slaves who have no rights," he said of the authorities' refusal to recognise his union. The policement held a short sit-in in Warsaw last week when the district court postponed a hearing of their case.

Congress delegates yesterday received a draft of Solidarity's programme prepared by a working group and based on discussions held by delegates over the past few weeks. Radicals will be working over the next few days to remove the more conciliatory passages in the document which backs economic reform, urges a cautious economic recovery programme and calls for far-reaching but ill-defined political changes.

The draft calls for free local council elections but leaves vague the issue of elections to Parliament. Phrases in the draft like — "a sense of national responsibility demands that we respect the political situation which arose in Europe after the Second World War, and our country's place in the system" are certain to draw radical fire.

The draft approves the notion of gradual price increases for consumer goods but only after Solidarity members have voted in a referendum on the issue. Rationing should be kept in force for some time.

The draft says that Poland should explore the possibility of re-entering the International Monetary Fund but says nothing about the need for Poland to increase exports, an unpopular issue at the moment.



Mr Jorgensen: waiting for the other parties

Denmark may have early poll

By Hilary Barnes in Copenhagen

DENMARK'S Prime Minister, Mr Anker Jorgensen has said he will call an autumn election if his minority Social Democratic Government cannot gain support for a controversial plan to tax pension funds.

Whether or not there is an election will depend on how other parties react over the next few days to the Government's proposals, the Prime Minister told a trade union conference. The last election was in October 1979.

The Government's intention is to increase the supply of capital to industry and agriculture by introducing index-linked bonds with a real rate of interest of 2-3 per cent. As the real yield by pension funds and life insurance companies (neither of which pay tax on interest earned on their investments) is about 10 per cent after allowing for inflation, the Government wants to introduce a tax of 40 per cent on the interest on future bond purchases by the institutions.

Mr Jorgensen will present his Government's programme to Parliament next week. If the Government is looking for a showdown, it could come in the subsequent debate on the Prime Minister's statement.

Norwegian oil-to-coal change complete

By Fay Gjester in Oslo

A NORWEGIAN industrial concern has completed an oil-to-coal conversion that will cut its oil use by 160,000 tons a year.

Norcem, a building materials group that operates all three of Norway's cement factories, says cement kilns at two of the three plants, recently converted to coal-firing, are coming into production.

The group's factory at Dalen, near Brevik, in south-east Norway, has been burning coal since 1978. The plants that have now made the change are at Slemmestad, near Oslo, and Kjøpsvik, in the North. The three plants are expected to use 250,000 tons a year. A building materials subsidiary, Norsk Leca, uses 35,000 tons per year.

Spy exchange reports unconfirmed in Bonn

BY OUR BONN CORRESPONDENT

THE WEST GERMAN Government may be preparing to release Herr Gunter Guillaume, the East German spy who was a senior aide to Chancellor Willy Brandt in the 1970s.

According to reports from Madrid, where West Germany's President, Herr Karl Carstens, is on an official visit, the President yesterday signed a document pardoning Herr Guillaume. But the President has refused to say anything about the case and officials in Bonn have also declined comment.

As a result, newspaper reports—the first Press speculation about an impending release occurred several weeks ago—have gone from strength to strength. The latest and most ambitious appeared, unsourced, in the conservative Welt am Sonntag, and suggested that Herr Guillaume was to be released as part of a huge East-West exchange of prisoners.

Herr Guillaume, who was sentenced to 13 years' jail in 1975, would, according to this account, be joined by a small number of fellow East German agents in an exchange deal for 35 West Germans imprisoned in the East.

Some 3,000 East Germans would also be allowed to emigrate to West Germany, albeit in return for a cash payment from Bonn, as has long been the informal practice. Other East bloc agents would be released by France, Denmark and South Africa.

The fact that the Bonn Government has enither denied nor confirmed the reports has given the impression that something is being hatched. But a number of factors also seem to point against a large scale spy exchange.

Herr Guillaume would soon qualify for parole in the normal way, so it is not clear why a presidential pardon should be required. There is no obvious reason why other countries apart from East and West Germany should be involved in any swap. Finally, Bonn would be reluctant to link the release of Herr Guillaume to the emigration of 3,000 East Germans who, unde rthe Helsinki Agreement, should be allowed to rejoin their families in the West as a matter of right rather than of barter.

However, Herr Guillaume's release would certainly help clear the atmosphere before the expected meeting between Chancellor Helmut Schmidt and Herr Erich Honecker, the East German leader. The two men are expected to hold talks, following several postponed meetings, some time after Mr Leonid Brezhnev, the Soviet leader, has visited Bonn in late November.

Herr Guillaume has symbolic importance in West Germany. He was a close personal aide of Herr Brandt during the most sensitive years of Ostpolitik and the discovery that he was an East German agent inflamed criticism of the conciliatory policy.

It also undermined Herr Brandt's credibility as a world statesman and forced his resignation. In Bonn it has been accepted for some time that Herr Guillaume could only be released if Herr Brandt, who is now chairman of the ruling Social Democratic Party, approved the move.

Italy threatens EEC disruption over wine

BY JOHN WYLES IN BRUSSELS

ITALY threatened yesterday to disrupt the work of European Community agriculture councils if France did not stop hindering its wine exports. France, said Sig Giuseppe Bartolomei, the Italian Agriculture Minister, was guilty of "psychological terrorism."

His threat, and a counter-complaint by a French Minister that Italian "verbal terrorism" was offending his country's dignity, set the tone for several unusually violent exchanges between Farm Ministers which highlighted the smouldering resentments and fears about the growth of protectionism in EEC agriculture.

France was in the dock for blocking Italian wine imports, Britain for banning poultry imports through an abrupt change in its domestic poultry health regulations and the Netherlands for allowing its glasshouse producers an unfair advantage by supplying them with low-priced gas for heating.

None of these issues was carried far towards a solution. But the presence outside the Council of Ministers building of 500 demonstrators demanding action on the Dutch glasshouse question may have helped to concentrate ministerial minds.

After hearing a succession of complaints against the Netherlands, including a warning from West Germany's Herr Josef Ertl, that the issue would be settled in the streets rather than around the negotiating table, the European Commission promised to take firm action against the Netherlands unless The Hague was ready to make concessions.

Although he would not be specific, Mr Poul Dalsager, the Agriculture Commissioner, promised that he would act to remedy the situation if his talks on Friday with the Dutch Farm Minister failed to resolve the problem.

He agreed with the majority of Ministers that a Netherlands' promise to align its glasshouse gas prices with industrial gas prices by April, 1984, was not good enough.

British glasshouse producers claim that Dutch flowers and vegetables are enjoying a 40 per cent price advantage in Britain and that one third of the 26,000 jobs in the British industry are threatened.

Meanwhile, any prospect of a ceasefire in the wine war faded when it became clear that Mme Edith Cresson, France's Farm Minister, was not going to attend the meeting. Sig Giuspepe Bartolomei, for Italy, complained bitterly that France was still holding up imports of 1m hectolitres of Italian wine and he gave a warning that Italian restraint must not be interpreted as weakness.

Italy would have to consider whether to continue to collaborate with the council, he said, and his remark was interpreted as a threat to block decisions at future meetings. As a foretaste, he refused to take part in discussion of a French memorandum on possible changes to the EEC's wine regime.

Olympic problems aired but not solved

By Roger Boyes in Bonn

THE OLD Moscow boycott ft were marched out at Olympic congress in Ba Baden at the weekend lik parade of tired war veter "The Games," concluded European delegate, "sho be left to the politician the only true amateurs."

Understandably the congr convened to discuss the fut of the Games including role of commercialised sp was more concerned w bitter retrospectives t brave new horizons.

Sir Denis Follows, of British National Olym Committee, pointed out t 30 countries had boycotted Montreal games in 1976 about 80 had boycotted Moscow games. If it went like this, the Olympics appeared altogether.

The Moscow boycott clea opened up wounds in movement and the next gan in Los Angeles in 1984 already causing sleepl nights within the hierarc The African nations hint in Baden-Baden that a fre boycott might be on the car following the South Afric Springboks' tour of the Unit States. As that threat recede during the course of the talk a new problem emerged—tha of television rights.

According to unofficial est mates, the European Broa casting Union, grouping mo West European televisio channels is being aske $175m (£94m) for the broa casting rights from Lo Angeles. The West Germa television companies estima that they will be asked pay about $50m of that bil an impossibility, according Herr Hannes Groth, t principal German co-ordin tor. Meanwhile a sum of abo $175m is also being asked Intervision, the East Eu pean television union. The seemed little doubt in Bade Baden last week that the Ea Europeans would be una to raise even a fraction that sum. That in turn rais the question of whether it worthwhile, in propagan terms, for the East Eu peans to compete if they a unable to beam back pictu of triumphant Sociali trained athletes.

The congress, combining t international Olympic co mittee and delegates fr 147 countries, raised a nu ber of questions but provid no answers, as if the she process of asking questio could heal the rifts in t movement. The issue a the rows were:

- Amateurism: The East bl insisted that the establish definitions of amateur sta be maintained. West Germa and others suggested tha way could be found that ga athletes sufficient means carry out full-time traini while stopping short of fu scale professionalism. De gates discussed the idea allowing athletes to recei money from advertising a other forms of sponsorsh that would then be paid in blocked accounts, securi the future of the sportsm but not affecting his care status.
- There was broad agreeme that sportsmen discover using drugs should be barr from the games, possibly f life. But it was not clear ho gradual drug use duri training could be controlle
- The question of stationi the Olympic Games perm mently in Greece met wi much opposition, large because of that countr lack on infrastructure, a was dropped.
- In an attempt to take so of the propaganda out of t Olympics, a number of We European delegates su gested abandoning nation flags and the singing national anthems. This w opposed by Third Wor delegations who argued th after fighting hard for ind pendence some countri would rather not compet than have their nation achievements muted.

Leslie Colitt in Bucharest examines the waning popularity of Romania's leader

Why Ceausescu is no longer regarded as infallible

SIXTEEN YEARS after Mr Nicolas Ceausescu came to power as Romania's Communist leader and President and successfully challenged Moscow's right to give orders to Bucharest, he remains in total command of the most tightly controlled country in Eastern Europe.

However, the attitudes of Romanians toward their leadership are changing as economic and political frustrations mount.

Lengthening food queues and the waning of the Soviet threat to Romania have produced a level of popular discontent not felt for decades. President Ceaucescu is no longer regarded as infallible.

The most charitable explanation is that the President has fallen victim to bad counsel from his aides. The more sophisticated critics see the root of the problem in the cult of personality which surrounds him. Under these conditions all strive to tell the President what they believe he wants to hear. His Ministers and advisers know from experience that one of their functions is to act as scapegoats if and when things go wrong.

Although sporadic strikes erupted earlier this year in several Romanian factories over working conditions and poor food supplies, they were quickly localised. Leaders of a serious coal miners strike in the Jiu Valley in 1977 were arrested and have never been heard from again. Organisers and members of a free Romanian trade union were swiftly arrested and sentenced to prison.

But opposition to President Ceausescu has never been organised. Instead there is a constant drain of Romanian intellectuals who refuse to return home after being permitted to travel to the West.

The Romanian leader also faces no opposition from within his Party, as he has removed anyone who even remotely appears to be a rival.

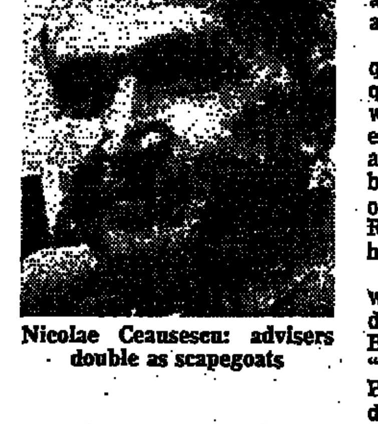
The leadership is taking no chances in ensuring that the 23m Romanians will continue to remain submissive. As supplies of foodstuffs dwindle in the cities and the outlook for the winter is bleak, fully armed Romanian soldiers stand guard at all important public buildings.

While most Romanians remain devoted to President Ceausescu they no longer regard him as infallible. Increasingly they feel he has fallen victim to bad counsel from his aides.

The President periodically reinforces this impression by firing top officials thought to have gained his confidence. This happened recently when the heads of Romanian Radio and Television, the Agriculture Ministry and the Central Council of Workers Control were dismissed.

While the Ministry of Agriculture was still blaming a drought for this year's poor harvest, Mr Ceausescu said it was "not a lack of rain but a lack of responsibility and capable organisation" of farming which had led to the third successive bad harvest.

While blaming the Ministry of Agriculture in situations like this, the President at other times gives the impression that nothing in this country is decided without his approval. Mr Ceausescu's attention to the most minute details of Romanian life is legendary.



Nicolae Ceausescu: advisers double as scapegoats

Recently he visited a well stocked food market in Bucharest and surrounded by smiling sales personnel and shoppers who assured him that everything was being done to get food to the consumer.

The visit was the main item on the evening television news; photos and long accounts appeared on the front pages of all Romanian newspapers.

The populace, which has been queuing up for even the poorest quality meat and sausage as well as cooking oil and other essentials, reacted with astonishment. But instead of blaming the President for this obvious deception, some Romanians said he had been hoodwinked by his advisors.

"They packed the market with food which otherwise doesn't exist," explained a Bucharest textile worker. "They don't want to let our President know how poor conditions are."

A Romanian waiter said it was difficult for President Ceausescu to learn what the "real situation" is as there are so many officials "between him and the people."

Jokes are told in which the President invariably is the victim of his own population which is depicted as being ready to steal, cheat and lie.

But there are also Romanians who reveal their political views by saying they do not care to discuss politics and there are a growing number of younger Romanians who express their feelings through political anecdotes.

One story has President Ceausescu visiting a pig farm in Western Europe where he is shown a sow which produces 36 piglets. He orders the sow to be brought back to Romania where the first litter produces but one piglet.

The swineherd not wishing to pass this distressing news to his superior, says that three piglets were born. The superior in turn tells the director of the state farm that six piglets were born and this escalation continues up to the Minister of Agriculture who is told of the birth of 24 piglets.

When President Ceausescu is told that the sow produced 36 healthy piglets, he orders: "One of the piglets should be exported. The other should remain for the domestic market."

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Israeli anger at Lloyd's curb on diamond cover

BY DAVID LENNON IN TEL AVIV

ISRAELI BANKS and insurance brokers specialising in diamond cover are bitterly angry with Lloyd's of London, the UK insurance market, for effectively refusing to continue to underwrite some of the bank loans given to diamond manufacturers.

The difficulties being experienced by the Israeli diamond industry and the collapse of a number of companies in Israel have caused Lloyd's to inform the brokers and banks that it intended to sharply reduce the amount it would underwrite from June this year, and that this amount of cover would be gradually reduced to zero over six months.

The cover which was effectively withdrawn was for the 90-day trust certificate which diamond manufacturers sign when they withdraw rough gems from bank vaults to cut and polish them.

The stands are usually deposited with the banks as security for loans given to the diamenters when purchasing the stone.

It is understood that underwriters pulled out of this class of insurance business at short notice.

The general manager of one bank accused the insurance companies of "getting cold feet." The deputy general manager of another bank said that the banks are considering litigation over the delay by underwriters in paying some of their claims.

Mr Uzi Levy, chief executive of Ihud Insurance Agencies of Tel Aviv, one of the main brokers for diamond insurance in Israel and a subsidiary of Bank Leumi, the largest banking group in the country, said underwriters "suffered loses in excess of what they expected" and that is why they pulled out.

He estimated that the main banks were insured for about $300m (£166m) in trust certificates.

He estimated that the total losses to underwriters was about $15m. Mr Levy said he did not know of any current claims against the insurers, but he suspected that the banks may experience considerable delays in payment of the insurance money for the dishonoured trust certificates.

Underwriters at Lloyd's have centralised their legal advice on the matter with one law firm.

Lloyd's is understood not to be cancelling its cover totally but intended to phase out the cover over six-months.

It immediately wanted to reduce the token cover of $5m starting from the first month, which represented virtually a full cancellation, given the overall size of the insured risk.

Lloyd's underwriters insure practically all of the diamond business in Israel and is still continuing with its insurance of stocks.

John Moore in London adds: Lloyd's underwriters have been alarmed in the last year about the rising level of claims on the class of business which they are now seeking to curb.

Losses have been out of all proportion to the volume of business which they have carried. Fears are growing in London that the volume of doubtful claims may be rising on this class of business.

The international insurance stage is set for another round of protracted transnational litigation over the latest dispute.

Booby-trapped car kills 11 at Lebanon checkpoint

BY OUR BEIRUT CORRESPONDENT

A BOOBY-trapped car parked near a joint Palestinian-Leftist checkpoint in South Lebanon exploded yesterday, killing at least 11 people.

The blast occurred near the checkpoint manned by joint forces grouping Palestinian guerrillas and their Lebanese leftist allies and injured 45 people, including bystanders. The checkpoint is near the village of Zrarieh, north-east of the southern port city of Tyre.

Leftist Lebanese reports estimated the charge at 40 kgs. of TNT, while the right-wing Phalange Radio quoted security officials as saying it was 15 kgs. of TNT mixed with phosphorus.

Another bomb went off in West Beirut, but caused no casualties.

Since September 17, a series of such car bombs in Sidon, Beirut and Chekka have destroyed hopes for a period of relative stability in Lebanon. The explosions, for which a group calling itself the Front For Liberating Lebanon from Foreigners has been claiming responsibility, have so far caused at least 40 deaths and injured 160.

The violence has coincided with a campaign aimed at discrediting the Prime Minister, Mr Chafiq Wazzan; and reports of Palestinian-Syrian friction.

Mr Salah Khalaf, known as Abu Iyad—deputy leader of Al-Fatah, an armed Palestinian faction—has confirmed there are differences between Syria and the Palestinian leadership over security plans to supervise the influx of arms in Lebanon.

Fatah feels it should be exempted from this supervision—to which Rightist Christian leaders have agreed—because it describes itself as at war with Israel.

Mr Wazzan has refrained from publicly reacting to the tirades against him but officials close to the Prime Minister have said he is confident and unfaltering in his "nationalist" stand, and will respond to his critics "when the time comes."

Ayatollahs make most of latest 'victory'

By Terry Povey in Tehran

IRAN'S leaders were yesterday making the most of their apparent Gulf War victory over Iraqi forces besieging the oil refining centre of Abadan and the coincidental weekend Tehran street battles with left wing Mojahedin rebels.

In the Tehran press, accounts of what is described as the "biggest victory" in the year-old Gulf War appeared side by side with claims that the People's Mojahedin Organisation, which is leading the armed campaign against the fundamentalist régime, was the "fifth column of the enemy" and engaged in "planned co-operation" with it.

Yet with only four days to go before the country votes for its next President, who will almost certainly be Hojatoleslam Sayyed Ali Khamani, the capital's Friday prayer leader, the timing of Sunday's Abadan offensive appears to have been dictated as much by political as by military considerations.

A poll target of 18m-20m has been set for next Friday's ballot, and success on the battle front will certainly help the prospects of achieving this.

Iran has claimed to have captured or killed more than 3,000 Iraqi troops and to have pushed all occupying forces to the western side of the strategic Karun River, dstroying Iraqi pontoons in the process.

With reports that fighting is still continuing, an armed forces communiqué speaks of the destruction of Iraq's 44th Infantry Brigade, as well as the 6th, 8th and 10th Armoured Brigades in the battle.

If true, Iran's advance will bring to an end any Iraqi hopes of capturing Abadan, although serious moves in this direction effectively stopped in the second month of the war last year.

It was in October 1980 that Iraq's forces attempted their most ambitious military manoeuvre of the whole war—a clockwise encircling movement from the north of Abadan Island that aimed to cut it off from the rest of Iran by blockading all routes to it from the north, north-east and east.

In terms of the overall war, Iran's victory would be a strategic gain that could raise popular hopes within the country that the Gulf War will soon be victoriously concluded.

Giving voice to this feeling, Iran's revolutionary leader, Ayatollah Khomeini, said in a cable to the armed forces commanders yesterday that the whole country was hoping that "soon we will see all enemy troops expelled.

It remains to be seen whether this victory enables the war to become a focal point of national unity that would hamper the opposition's campaign to overthrow the régime.

If this one success was followed quickly by others, this might possibly occur. But given the necessary slow pace of Iranian mobilisations, which are dependent on limited supplies of arms and spare parts, this seems unlikely.

So far, popular reaction to the latest war news has been predictably mixed. Many opposition supporters still blame the clergy-dominated régime for the length of the war and earlier defeats.

Victory at the front in such circumstances can only be a temporary palliative to the wound opened up by the past two months of political violence and over 1,500 executions.

Without a political victory over the opposition that matches military ones, the next round of executions may well erode whatever advantages the Karun River battle has given the authorities.

Commonwealth pressured to change focus

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT IN MELBOURNE

NEW ZEALAND'S Prime Minister, Mr Robert Muldoon, is still smarting. "I'm angry and I admit it," he told Australian Television on Sunday, about criticism of his attitude to sports contacts with Pretoria by the Commonwealth and Mr Shridath Ramphal, the Commonwealth secretary-general.

He also allowed the cameras to show the thick files attacking other Commonwealth members' human rights records which he is bringing to Melbourne.

Yet few of the 40 countries attending the Commonwealth Heads of Government meeting which starts here tomorrow expect a row over the recent South African rugby tour of New Zealand.

Mr Muldoon has now made it clear he will not lash out unless cornered, and no one wishes to put him in that position. "People are not coming here punching," Mr Ramphal said last night. For higher stakes than sport are involved.

The Asian countries want the Commonwealth to broaden its horizon from Africa now that the perennial issue of Rhodesia is resolved, as Mr Lee Kuan Yew, Prime Minister of Singapore, has been stressing while visiting Mr Muldoon in Wellington.

Britain wants to confirm the Commonwealth's value as a unique forum for leaders of rich and poor countries to learn each other's concerns.

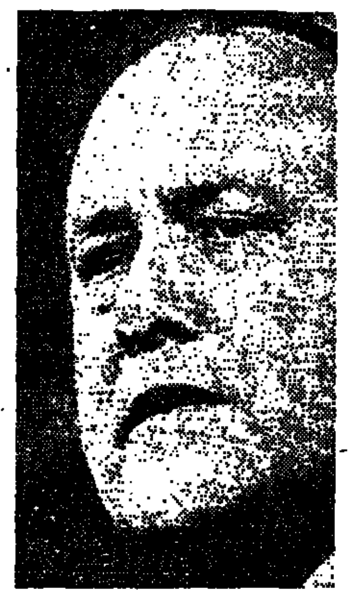
The Africans feel they have made their point about the Springbok Rugby tour by moving the Commonwealth Finance Ministers' meeting from New Zealand to the Bahamas. In any case, they are now more worried by Namibia.

Mr Malcolm Fraser, the Australian Prime Minister, is too much involved in the conference to wish a row. In many ways, the host has staked more on the conference than any of his guests.

The Australian Opposition is criticising him for spending up to $20m on preparations

Some members of Mr Fraser's party have been complaining at his concentration on the problems of black Africa to the virtual neglect of the issues raised by the presence of the Cubans in Angola. Last week, he had to face two motions of censure in Parliament.

It would take a major disaster at the conference to trip up Mr Fraser domestically, and the careful preparations of the past few months indicate that such a disaster is unlikely.



Mr Robert Muldoon

Several delegates have insisted on the importance of tackling Namibia, as has Mr Fraser himself. His critics suggest this might be to distract black Africa from the problems of sporting links with South Africa and in many ways, there is little that the Commonwealth as a body can do about Namibia.

But it is inevitable that the issue will arise, as the nine-day summit is the first major meeting between members of the five-nation Western contact group negotiating with South Africa and the African states involved.

The British are confident that the timetable developed for moving in 1982 towards independence for the territory will prevent Britain from finding itself "in the dock."

But a number of African countries say they are sceptical about what the British and Canadians may have to say on the proposals they have developed, together with the U.S.

Another controversial issue likely to be discussed is whether Pakistan should be allowed back into the Commonwealth. At one point, Mr Fraser had hoped this this would be one major development to be announced at the summit.

But Mrs Indira Gandhi, the Indian Prime Minister, has made clear her objections to giving the Pakistan régime any wider international respectability.

More important than these difficulties could be the development issue, on which countries have been focusing. Australia and the Commonwealth Secretariat have both backed proposals to help food production in developing countries.

Countries such as Singapore are determined to criticise the protectionism practised by the richer members of the Commonwealth. Other leaders, in particular Mrs Gandhi, are disturbed at U.S. policy towards the World Bank and International Monetary Fund.

Developing countries gathered here are particularly concerned at reported proposals by a U.S. Treasury study group that Washingtan might consider persuading Western countries to reduce their contributions to the International Development Association, the soft loan arm of the World Bank.

Seven members of the Commonwealth are due to attend next month's summit of 22 world leaders on development issues at Cancun, Mexico, and many of the members of the Commonwealth are keen they should take a united message of concern with them.

In this, they will be focusing on Mrs Margaret Thatcher, the British Prime Minister, as Britain has recently been backing U.S. proposals to limit the creation of new IMF funds for developing countries.

Angola backs Western plan for Namibia independence

BY OUR FOREIGN STAFF

IN A move which virtually sets the seal of African approval on the latest Western proposals for Namibian independence, Mr Paulo Jorge, Angolan Foreign Minister, yesterday labelled the Western agreement over an independence plan reached in New York last week "an important step forward."

Angola's backing is crucial for any United Nations initiative on Namibia led by the Western five-nation "contact group," and indicates probable acceptance of the proposals by the South West African People's Organisation (Swapo). Swapo is fighting a guerrilla war from bases in southern Angola to end South African control of Namibia.

Mr Jorge told the Angolan news agency, Angop, that a set of constitutional principles for Namibia drawn up by the contact group was an important step towards achieving the territory's independence in accordance with UN Security Council Resolution 435.

Britain, France, the U.S., West Germany and Canada announced the set of principles last week to try to clear the way for Namibia's independence from South Africa in 1982.

The five powers earlier drew up a UN-approved independence plan for Namibia on the basis of Resolution 435, but South Africa refused to agree to its implementation.

Resolution 435 calls for a ceasefire in Namibia between South Africa's forces and Swapo black nationalist guerrillas, followed by UN-supervised elections leading to the territory's independence.

The proposed principles for a Namibian constitution were formulated in response to South African fears over the consequences of the territory's independence.

They were agreed at a meeting of contact group Foreign Ministers in New York last week, but details have not been made public.

"We have reason to hope that following this meeting the group of five will be able to speed up the process leading to the implementation of Resolution 435," the Angolan Foreign Minister said on his return from attending the UN General Assembly in New York.

Angolan acceptance of the constitutional principles would be a major breakthrough.

Gromyko meeting set with Haig

UNITED NATIONS — Mr Alexander Haig, U.S. Secretary of State, and Mr Andrei Gromyko, Soviet Foreign Minister, were expected to meet yesterday for the second time in a week to discuss prospects for reducing tension between their two countries.

U.S. officials said they hoped Mr Haig and Mr Gromyko could make progress towards defining the scope of nuclear arms talks scheduled to begin in Geneva on November 30.

They agreed at their first meeting to hold the talks, but did not specify what weapons would be covered.

The U.S. wants the initial focus to be on medium-range nuclear missiles in Europe. The Soviet Union has about 180 missiles targeted on Europe, and the U.S. plans to begin deploying 572 Cruise and Pershing 11 missiles

The Soviet Union is known to favour a broader scope for the talks, to include U.S. nuclear - armed aircraft in Europe.

Besides arms control negotiations, Mr Haig has said he would raise with Mr Gromyko such issues as Soviet occupation of Afghanistan, Soviet support for the Vietnamese intervention in Cambodia, and U.S. insistence that hte Soviets do not intervene militarily in Poland.
AP

France to join pressure on U.S. over IDA refunding

BY DAVID BUCHAN IN WASHINGTON

FRANCE will join its European partners in keeping pressure on the Reagan Administration to live up to its $3.2bn (£1.7bn) commitment in the current refunding of the International Development Association (IDA), the World Bank soft loan facility, M Jean-Pierre Cot, the French Minister for Overseas Co-operation, said yesterday.

The Bank and IDA deserved support, particularly for their focus on the very poor sub-Saharan African countries, a traditional area of French influence, M Cot said.

It was vital a seventh "replenishment," or refunding of IDA be negotiated to start from 1983.

IDA provides almost the sole source of capital for the poorest countries with virtually interest-free 50-year loans.

The Paris Government was concerned that the U.S. had staggered its $3.2bn contribution to IDA-6 over four years instead of the internationally negotiated three years, and that Washington was hinting it might not contribute at all to an IDA-7.

France supported the U.S.-led push for a greater degree of discipline from borrowers of World Bank and International Monetary Fund money, to the extent it was clear that "aid cannot just be flung around" and the Third World must get a grip on its economic problems.

The Socialist Mitterrand Government did not believe, however, that Reaganite policies, essentially relying on the private sector as the engine of development, could be successfully transplanted to the Third World. M Cot said much development had been distorted by a failure of state planning and "economic direction."

M Cot made clear that France intended to maintain the high proportion of its bilateral aid which is tied to the purchase of French goods, in a hard-nosed defence of French self-interest. Foreign aid would help to create jobs in France and was an integral part of the Mitterrand economic programme.

France and other Western countries would be unable to ride out their present economic problems without some increase in trade protectionism.

Warning over 'Soviet Awacs'

BY OUR WASHINGTON CORRESPONDENT

THE SOVIET Union will have its own early warning aircraft operating before any U.S. Awacs (Advance Warning and Control System) radar could be supplied to Saudi Arabia in four years' time. Mr Caspar Weinberger, U.S. Defence Secretary, forecast yesterday.

This was the first news that the Russians are working on a system similar totheBoeing-built Awacs ,and Mr Weinberger's revelation to the Senate Armed Services Committee was a further attempt to persuade Congress that the proposed Awacs sale to the Saudis "does not pose serious risks that sensitive technology will be compromised."

This latest twist in the Awacs gestion that the Saudis might drama has centred on the sug- keep some U.S. personnel running the radar aircraft and ground equipment to ensure the technology does not fall into the wrong hands.

White House and Republican leaders have sounded the Saudi Government out on this idea. But thet Saudis are reported to have refused to countenance the prospect of Americans fly-, ing or operating the Awacs system beyond a necessary initial training period.

A new Senate staff study has warned of the danger of Awacs and other equipment, such as thet Aim 9L missile, which the Administration also plans to sell the Saudis, somehow reaching Soviet hands.

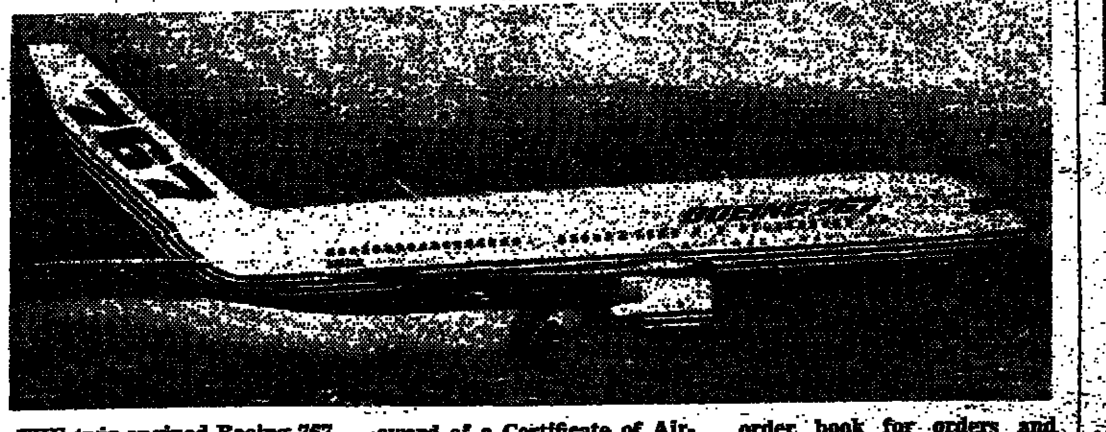
Mr Weinberger yesterday sought to counter this by stressing that the Awacs, while good, "do not represent the ultimate in U.S. radar and computer technology."

But the Senate study backed the Administration warning that Congressional veto of the Awacs sale would damage U.S.-Saudi relations and U.S. plans to defend the Gulf's oil.

Mr Weinberger expanded on this argument, and went on to warn that rejection of the sale "would confirm a too-widely held opinion in the Middle East that thet U.S. is solely concerned with the wishes of the Israeli Government, to the exclusion of all other interests."

The Defence Secretary has proved the bluntest in the Reagan Administration in voicing irritation at Israel tying Washington's hands.

AP adds from Taifs Crown Prince Fahd of Saudi Arabia said yesterday that the Kingdom's leadership had every confidence in President Ronald Reagan to "salvage" the radar surveillance aircraft deal



THE twin-engined Boeing 767 airliner, the rival to Europe's A-300 Airbus, made its *maiden* flight from Boeing's Everett, Seattle, airfield over the weekend. The aircraft was airborne for just over two hours in what was described as a perfect maiden flight.

The Boeing 767 now begins a flight test programme that it expected to last nearly a year, culminating in the award of a Certificate of Airworthiness next July, with *first deliveries to the airlines* in August.

Orders for the Boeing 767 at present stand at 173 aircraft firm, and 138 on option, for a total of 17 airlines, including Britannia Airways of the UK, which is buying two, with another three on option. At an average price per aircraft of about $40m, the *total* order book for orders and options is worth nearly $12.5bn (£6.9bn) including spares.

Boeing's investment in the 767 already stands at over $1.5bn, and by the time deliveries begin, this will have risen to about $2bn, covering aircraft in production at that time. The production rate will be 8½ aircraft a month by mid-1983.

Sr Miguel de la Madrid

President nominated in Mexico

By William Chislett in Mexico City

MEXICO'S ruling Institutional Revolutionary Party (PRI) has named Si Miguel de la Madrid, Planning and Budgeting Minister, the party's candidate for the 1982 presidential elections.

The PRI, which has ruled Mexico for 52 years, has never lost a presidential election, so it is a foregone conclusion that Sr de la Madrid will be the next President.

His nomination has ended months of speculation about who will succeed President Jose Lopez Portilla next year and take over the running of the world's fourth largest oil power.

Sr de la Madrid, aged 46, has overseen the way in which Mexico plans to use its mounting oil revenues to industrialise the country. He was regarded as a forerunner for the presidential nomination.

There was speculation the candidate might be someone with stronger political credentials a Mexico's established system is perceived to be under strain.

Sr de la Madrid, whi did post-graduate work in business studies at Harvard University, is regarded as a technocrat and has served in key areas of the economy.

He was director of public sector credit at the Finance Ministry, assistant financial director for Pemex, the state oil monopoly, under-secretary at the Finance Ministry, and sicne May 1979 Planning Minister.

He succeeded where two of his predecessors failed to put out the conutry's first global plan. Unlike other government plans, it goes beyond the life of the present Administration.

The fact that he will be next President implies that the plan, a blueprint for the country's future, will not go by the wayside.

He is outward looking and was one of a minority of Ministers favour of Mexico joining the General Agreement on Tariffs and Trade (Gatt) last year.

Reagan to wage war on crime

By Reginald Dale, U.S. Editor, in Washington

PRESIDENT Ronald Reagan, turning his attention from budget cutting to law and order, yesterday announced a six-point plan to wage war on crime and protect the rights of innocent victims.

"Retribution should be swift and sure for those who prey on the innocent," he told the International Association of Chiefs of Police in New Orleans.

In one of the strongest anti-crime speeches by an American President in recent years, Mr Reagan stressed the need for moral values and criticised "social thinkers" who discussed crime only in terms of "disadvantaged childhoods and poverty-stricken neighbourhoods."

His plan included a sweeping reform of the Federal criminal code to "redress the imbalance between the rights of the accused and rights of the innocent" and the establishment of a new task force on crime victims, who would be given a "needed voice."

Foreign policy would seek to eradicate illicit drugs wherever cultivated, processed or transported, and war would be waged on criminal syndicates and corrupt public figures.

Mr Reagan said he would seek to end duplication in federal and state law enforcement agencies, and would personally lead a speaking campaign to focus attention on the crime problem, which he described as "an American epidemic."

Trend seen on pay concessions

WASHINGTON — U.S. union members, worried about pricing their employers out of business and themselves out of jobs, increasingly are taking pay cuts or wage freezes.

Mr Wayne Horvitz, former director of the Federal Mediation and Conciliation Service, said: "I think there's probably more of a long-term trend here than we give it credit for."

The latest group to accept a wage cut was the 20,000-strong workforce of Pan American World Airways, which is struggling to stay solvent. Carworkers and teamsters are likely to accept lesser constracts to help their industries stay competitive.
AP

150 arrested at nuclear power plant

CALIFORNIA — About 150 demonstrators were arrested yesterday as they linked arms in an attempt to prevent workers from entering the main gate at the controversial Diablo Canyon nuclear power plant.

Before the confrontation, 1,643 people were arrested, more than at any other U.S. anti-nuclear demonstration.

Protestors have been arrested for sitting in front of the entrance gates, trespassing on the plant property line and landing by sea at a restricted beach nearby.
AP

El Salvador protest

San Francisco—Six protesters were arrested and several people injured as 4,000 demonstrators disrupted a luncheon at which Sr Jose Napoleon Duarte, El Salvador's President, was speaking.

Mounted police and riot gear-clad tectitcal squad officers were needed to clear some of the chanting, sign-waving demonstartors from the front of the hotel.
AP

Campaign launched for Brazil's poor

BRASILIA—Brazil's leading Labour leader, Sr Luis Inacio da Silva, launched a Left-wing political effort in support of Brazilians who have no voice in society following his confirmation on Sunday as president of the Workers' Party.

Sr da Silva was elected president of the party he founded in response to his call for rights for workers and the poor

He was leader of the metalworkers' union in the industrial state of Sao Paulo, which his Brazil's car industry for seven weeks in 1980.

At the convention, party members approved statutes *and a platform for the party.* It is the last of several political movements permitted to operate under a liberalisation plan sanctioned by the right-wing military-backed Government.

Attending as observers were representatives of the Spanish Socialist Workers' Party and the Italian Communist Party.

Observers included representatives from the diplomatic missions of France, Portugal, Denmark, Britain, Venezuela, East European countries and the Palestine Liberation organisation.
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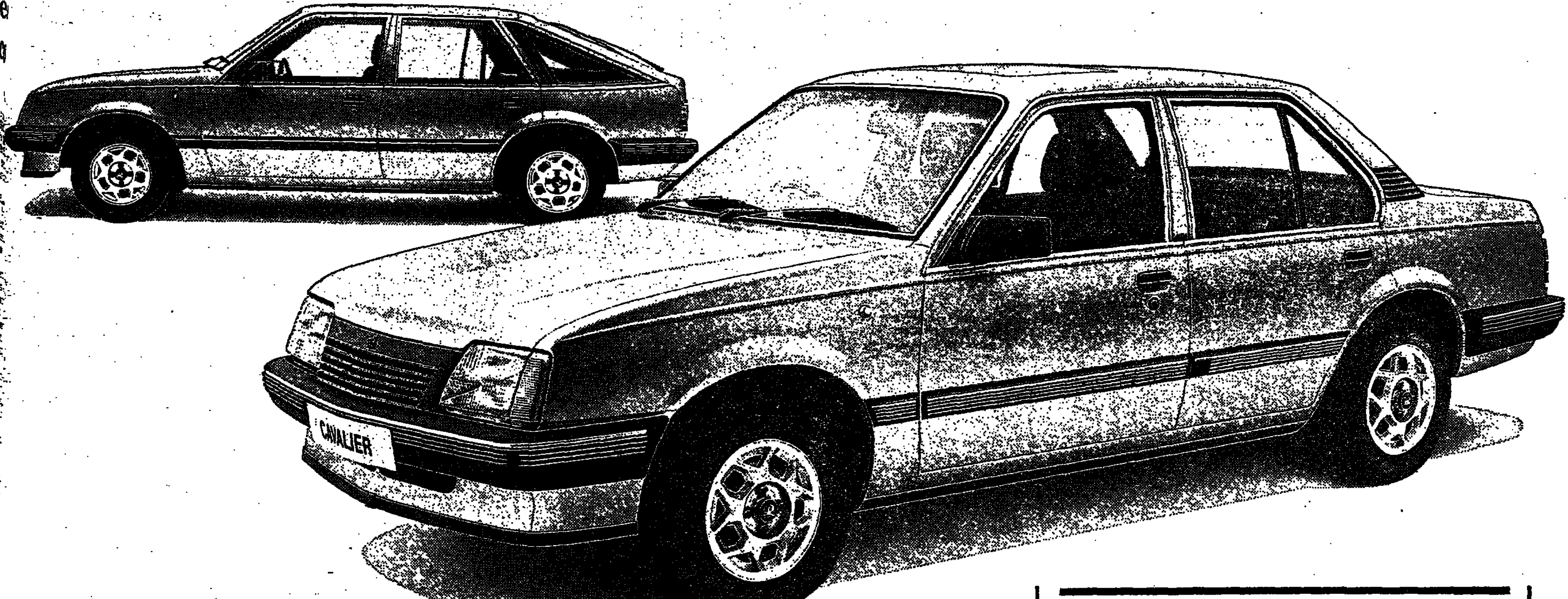
Sr Miguel de la M

President
nominate
in Mexi

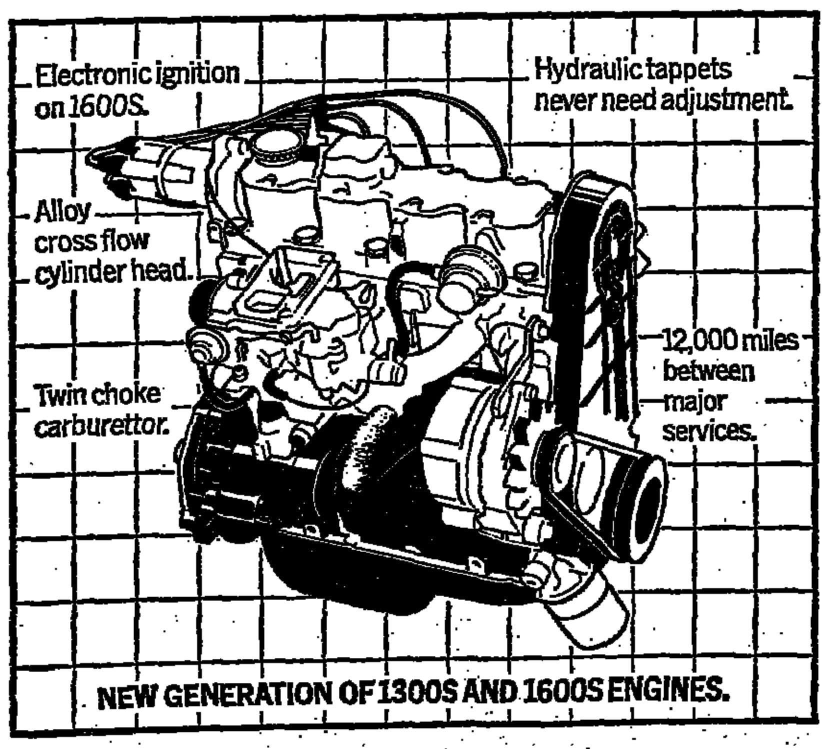
INTRODUCING THE ALL-NEW CAVALIER



The all new Vauxhall Cavalier is here. It took four years of intensive work, a complete rethink, and the resources of the world's largest car maker, General Motors.

90 HP.
THE POWER YOU WANT.

Cavalier's new generation of engines produce more power yet better fuel economy than you ever thought possible for this class of car.



NEW GENERATION OF 1300S AND 1600S ENGINES.

The 1600S produces a remarkable 90 horse-power. That's as much as some 2 litre cars can manage. And the 1300S pushes out a very healthy 75 hp. What it means to you is excellent performance and pulling power.

That's the kind of power you want.

46.3 MPG.
THE ECONOMY YOU NEED.

Thanks again to those advanced new engines and to extremely efficient aerodynamics, the new Cavalier has easily the best fuel economy in its class.

D.O.E. figures show that the 1600S gives you 29.4 mpg around town, and at a steady 56 mph, an extraordinary 46.3 mpg. The 1300S is equally impressive. The urban figure is 28.8 mpg and it gives 42.8 mpg at a steady 56 mph.

These days, you don't just want economy. You need it. With the all new Cavalier, economy is exactly what you get.

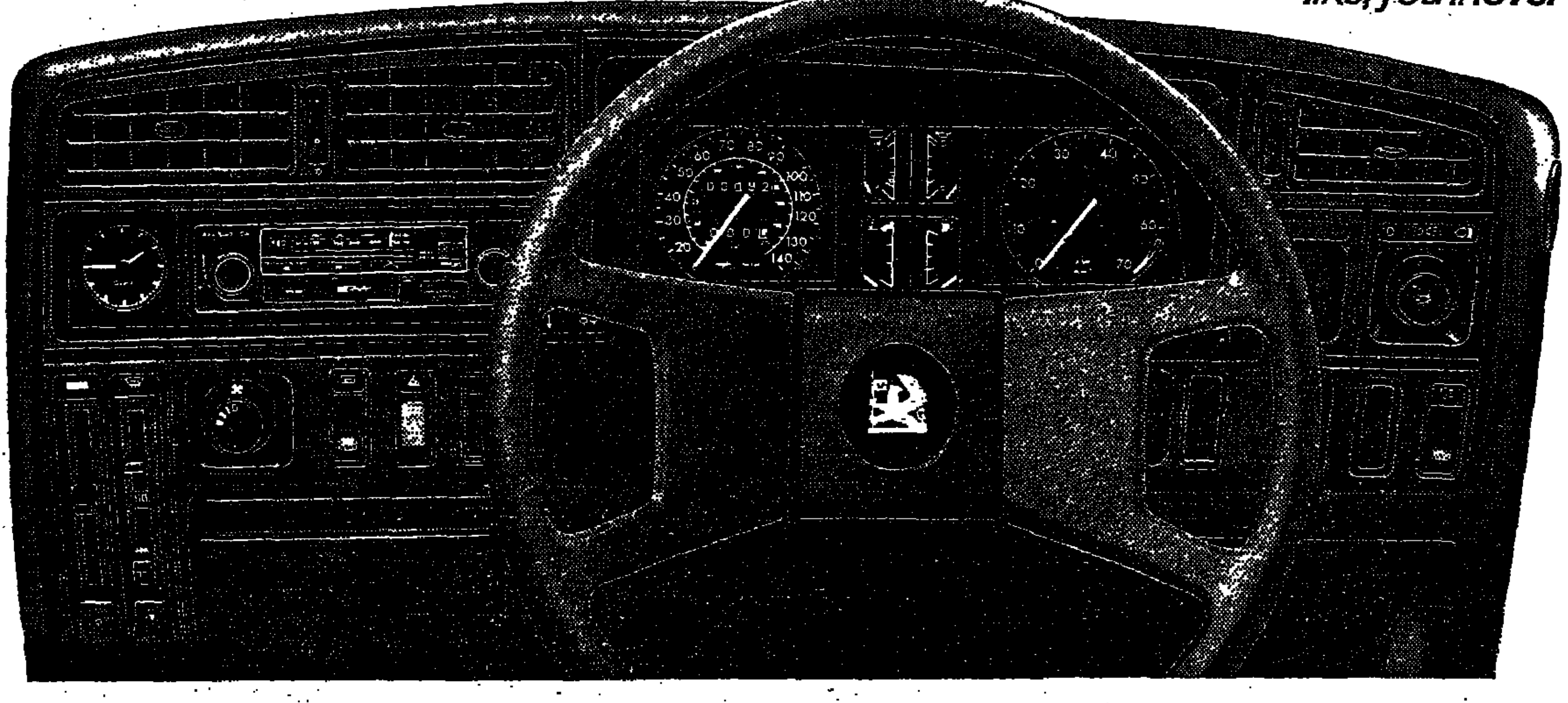
£4165.*
THE PRICE YOU'LL LIKE.

£4165. That's the starting price of the all new Cavalier range. There's a choice of 1300S and 1600S engines. A total of 15 different models. An outstanding choice of specifications with the option of automatic transmission. And all with new standards of reliability and long life built in. The saloons and hatchbacks are comfortable and spacious thanks to the front wheel drive design.

In fact, the saloon's boot holds a massive 18 cu. ft. And the hatchback can take 42.9 cu. ft. with the rear seats folded.

See for yourself at your local Vauxhall-Opel dealer. The all new Cavalier.

The power you want. The economy you need. And at prices you'll not only like, you'll love.



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ILLUSTRATED: GLS HATCHBACK AND SALOON. DASHBOARD FROM GLS. *ALL PRICES CORRECT AT TIME OF GOING TO PRESS INCLUDE CAR TAX AND VAT BUT NOT DELIVERY OR NUMBER PLATES. D.O.E. FUEL CONSUMPTION FIGURES FOR 1600S MANUAL: CONSTANT 56 MPH: 46.3 MPG (6.1L/100KM). URBAN: 29.4 MPG (9.6L/100KM). 75 MPH: 35.3 MPG (8.0L/100KM). 1300S MANUAL: 56 MPH: 42.8 MPG (6.6L/100KM). URBAN: 28.8 MPG (9.8L/100KM). 75 MPH: 32.1 MPG (8.8L/100KM). 1600S AUTO: 56 MPH: 42.2 (6.7L). URBAN: 28.5 (9.9L). 75 MPH: 32.5 (8.7L). 1300S AUTO: 56 MPH: 41.5 (6.8L). URBAN: 29.1 (9.7L). 75 MPH: 31.4 (9.0L). SPECIFICATION AND PERFORMANCE FIGURES ARE MANUFACTURER'S.

Rupert Cornwell, recently in Carpi, reports on a crisis in the knitwear capital

How hardship hit Italy's clothing industry

"CARPI used to be the most important centre for knitwear in Europe, but it isn't any longer."

That sombre observation by Sig. Umberto Severi, head of the local manufacturers' association, may console foreign rivals, who have always held that Carpi symbolised the sort of black economy structure which has, in their view, given the Italian clothing industry such an unfair edge.

Much more though, it is an accurate illustration of the difficulties being faced not just by this prosperous town about 120 kms south-east of Milan, but by Italy's much vaunted textiles sector as a whole. For years it seemed that Carpi, with its 300 industrial units and 2,200 artisans' workshops, could do no wrong.

However, the harsh economic realities of the 1980s, of cheaper Third World competitors, soaring labour costs and bank loans *at 25 per cent or more, have* combined with wider structural changes to leave Carpi uncomfortably exposed. The first golden age of Italy's knitwear capital has ended, and new techniques and a new approach are needed.

Sig. Severi says the problem began in 1975, but for several years thereafter buoyant international demand ("buyers were queuing up outside the factories") masked the real difficulties. The crest of the wave came in 1979, when output by the sector nationally grew 7 per cent, and exports by 9 per cent.

Since then the tide has turned. Production and exports dropped in volume terms by 4 per cent and 7 per cent last year, and *the signs are that 1981 will be* worse still.

For Carpi, which with the neighbouring centre of Correggio, exported in 1980 some 75 *per cent of its total knitwear* output of L700bn (£300m), the consequences have already proved painful. According to the local association, 20 concerns have shut since 1979, and lay-offs have multiplied.

The reasons are various. Not only is there the new threat of cheap imports from the Far East—knitwear shipments to Italy rose 45 per cent in 1980 —but export markets have turned sour.

Demand from West Germany, which traditionally takes half of Carpi's production, has fallen. France, the second biggest market, *has been waging intermittent* customs warfare against Italian imports for months, while the East Bloc markets have been closed as if by official edict.

Even so, some leading manufacturers believe that the worst of the short-term slump might be over, thanks mainly to the rise in the dollar and yesterday's renewal of talks on a new multifibres agreement (MFA). The former has pushed up the cost of cheap imports *(denominated in dollars)* while the MFA talks have pushed the Rome Government into a tougher line on imports.

None of this conceals the *recognised need for an overhaul* in the system by which Carpi — and by extension much of the rest of the Italian clothing industry — has operated. The days of cheap Italian textiles are long since gone.

One study recently reckoned that hourly labour costs in the industry are the fifth highest in the world — a figure that would seem to bear out the assertion that black market labour today hardly exists in Carpi.

"We were the first to use it, and the first to abandon it," says Sig Severi—though others comment less charitably that strong unions in the Communist-dominated town have obliged the factories to cast their net further afield.

In any case, Carpi will be *moving into a new era of* greater pressures on its 13,000 "official" workforce, of greater emphasis on financial controls, and above all on modern marketing.

According to the local association, only 20 per cent of the area's knitwear output is directly marketed — four-fifths consists of work done for "third parties" who then market it under different brand names.

For Carpi, Sig Severi believes, "anonymous goods are saleable no longer." People, he claims, want to buy branded clothes, preferably with as smart a brand name as possible—and many look enviously at the franchising techniques perfected by French makes such as Cardin and St. Laurent.

"As often as not, these are clothes made in Italy, but with a fancy foreign brand name," one association official said.

No one is disputing the *validity of the fragmented* structure of the industry, giving it the ability to respond swiftly to the changing whims of fashion, and reducing the threat *of head-on labour confrontations*, so common to big companies in Italy.

The biggest challenge, in the opinion of another local expert, is to avoid becoming trapped at the top of the market, necessarily small and on its own insufficient to sustain as big an industrial base as Carpi. Nor is the wider Italian domestic market enough. Carpi's future lies as much as ever in exports, but the next few years are likely to be trying.

Canada set for Mexico contract

By Robert Gibbens in Montreal

CANADA EXPECTS to sign a contract shortly worth between C$300m-C$400m (up to £181m) for equipment and services for the projected Monetary subway in Mexico, officials of the *Federal Export Development* Corporation said.

Bombardier, a major Montreal transportation equipment company, BTM International and B. G. Checo are already supplying C$150m of subways cars, electrical equipment and engineering services for the third phase of the Mexico City subway and EDC yesterday signed the financing agreement with the Mexicans based on an interest rate of around 7 per cent.

Both Bombardier and EDC officials said the final decision on the Monterey project would be made soon and a similar financing deal with the Mexicans is expected to be *signed*.

Cairo 'prepared to expand trade with Israel'

BY DAVID LENNON IN TEL AVIV

ISRAEL found a new willingness on the part of Egypt to develop two-way trade during talks held in Cairo last week on expanding the links between the two countries, a senior Israeli official said.

The Egyptians reported that in the first eight months of this *year they had issued licences* for the import of over $50m (£27.7m) worth of goods from Israel. This compared with the $12m worth which Israel exported to Egypt last year.

Most of the licences issued this year were for dairy produce imports, *especially eggs, frozen* chicken and butter, as well as some durables and investment commodities, according to the official who attended the talks.

There has been virtually no flow of goods from Egypt to Israel since the peace agreement and Israel had suspected that this was a result of deliberate Egyptian Government policy to keep the links to a minimum.

But at last week's meeting *the Egyptian delegation produced* a list of items which they thought might be exported to Israel. This included certain types of phosphates not produced in Israel, aluminium bars, leather goods and certain food items such as onions, garlic and sugar cane.

The Israeli team was also encouraged by Egyptian willingness to permit Israeli companies to sell to the dominant *public sector, provided that this was* done through a central agent in Cairo.

It was also agreed that Egypt will participate in the *Israel technology fair in Tel* Aviv next month and that Israel will participate in the building and construction fair in Cairo the same month.

British Gas wins Egyptian consultancy deal

BY MARTIN DICKSON, ENERGY CORRESPONDENT

BRITISH GAS has won a consultancy contract in Egypt for the installation of natural gas distribution networks in Alexandria and western Cairo.

The contract, awarded by Petrogas, the Egyptian state gas concern, is worth over £1.25m and will boost UK engineering companies' hopes *of securing major construction* contracts on the projects.

British Gas is already acting as consultants for the conversion of Eastern Cairo to natural gas and William Press, the UK engineering company, has won a £50m turnkey contract for that scheme.

For the two new projects, British Gas will carry out *feasibility studies and provide* design, engineering and contract formulation services. It will also act as project manager for western Cairo. Petrogas is expected to invite bids for the new contracts next spring.

Western Cairo involves constructing 50 kms of high-pressure pipeline to supply gas *from an existing pipeline, south* of the capital, to the suburbs of Giza, Dokki, Agouza, Mohandaseen and Embaba. In the first three years of the project, some 150,000 existing users of bottled gas appliances will be converted to natural gas.

Natural gas for Alexandria will come from the offshore Abu Qir field.

Sharp upturn in UK exports to Japan

By Charles Smith, Far East Editor, in Tokyo

BRITAIN'S exports to Japan, which fell by 1.5 per cent last year, achieved a startling *57.9 per cent rise* in the first eight months of 1981, according to recently released Japanese figures.

The rise reflects freak sales of a number of *special items* which do not normally figure high on the list of British exports to Japan. Traditional mainstays such as whisky and *textiles did poorly, reflecting* the strength of the pound—until recently—and the UK's declining competitive edge in world trade.

Japanese custom clearance statistics for the period for January to August inclusive show UK exports at $1.77bn (983m), up 57.9 per cent, compared with Japanese exports to Britain of $3.17bn (up 25.9 per cent).

The rise in British sales contrasts with stagnant or falling shipments by other EEC member countries. However, an analysis of the figures suggest British industry has benefited little.

Non-monetary gold, up *260 per cent to $270m in the* first six months of the year, was a major factor in making the trade balance appear healthier. A number of other metals and ores also recorded sharp rises.

British and Japanese officials said yesterday they were mystified by the fact that Japanese statistics show *"cargo ships" (up from almost* zero to $178m), as a major item in UK exports to Japan during the first half of 1981.

Items that faired poorly during January-June 1981 were whisky—down 33 per cent to $33.9m—and woven and worsted textiles—down 22 per cent and 20 per cent respectively.

Fresh design from Fokker and Douglas

By Charles Batchelor in Amsterdam

FOKKER and McDonnel *Douglas have begun a second* round of presentations to airlines of a modified version of their proposed MDF-100 medium-range 150-seat airliner.

The design should lead to a further fuel saving, will allow the aircraft to land on a greater number of airfields and will increase the power of the engine, Fokker said.

The two companies hope to complete discussions with airlines in the U.S. and Europe as well as, for the first time, *in the Far East and Australia* by next month. The final design will then be put to potential customers in November.

The MDF-100, as envisaged, would have a higher tail plane leading to an additional fuel saving of up to 3 per cent. The original two-wheel main landing gear will be replaced by four-wheel bogies to extend the number of airfields which can be used. Twin aisles are planned.

● Fokker expects to sell about $1bn of aeroplanes in Asia by 1990 and is looking for companies in Asia to manufacture parts for some of its aircraft, AP-DJ reports from Singapore.

Korea 'needs huge transfers of capital'

By David Dodwell

KOREA requires "massive transfers of capital and technology from abroad" over the next five years, according to Mr Suh Suk Joon, the country's Minister of Commerce and Industry, who arrived in London yesterday at the head of a top-level trade mission to Britain.

Korea will be seeking foreign investment, will be liberalising its import policy to encourage purchases of technology from abroad, and is keen to set up joint ventures in third countries between Korean and European companies, Mr Suh said as he opened the fourth joint meeting of the Korea-UK Economic Co-operation Committee, held at the Confederation of British Industry.

Predicting that Korea's two-way trade will have reached $100bn (£55.6bn) by 1985, Mr Suh said that under the new five-year plan the Government will be putting emphasis on private sector initiative. He blamed state intervention in the past for imbalances in the Korean economy, and said intervention would be reduced, particularly in the capital market.

On Korea's trade with Britain, Mr Suh was particularly keen to encourage joint ventures.

"We are especially interested in joint ventures involving small and medium-sized firms in order to improve their efficiency and facilitate intra-industry specialisation," the Minister said. Good candidates are manufacturers of components and parts in the machinery and electronics industries.

Last-ditch meeting saves talks on trilateral trade

BY GILES MERRITT IN BRUSSELS

Sir Roy Denman . . . Involved in meeting

KEY TRILATERAL trade talks talks between Japan, the U.S. and the EEC that had been *threatened* with cancellation are expected to go ahead in late October following consultations between the world's three major trading partners.

The ministerial meetings are likely to take place in New York in the last week of October, slightly behind their original mid-month scheduled date, as a *result of a firm commitment* by both the EEC and the U.S. that they will not constitute binding negotiations.

The decision to save the New York *talks was* reached at a special meeting in Chicago between Mr Kiyoaki Kikuchi, Japan's Deputy Foreign Minister, Mr David McDonald, *the U.S.* Deputy Special Trade Representative, and Sir Roy Denman, the EEC's External Affairs Director-General. The initiative to lift the threat that had last week been hanging over the trilateral talks is understood to have come chiefly from the EEC.

The New York trade discussions grouping for the first time all three major trading blocs, stemmed directly from last July's Western Economic Summit meeting of heads of government in Ottawa.

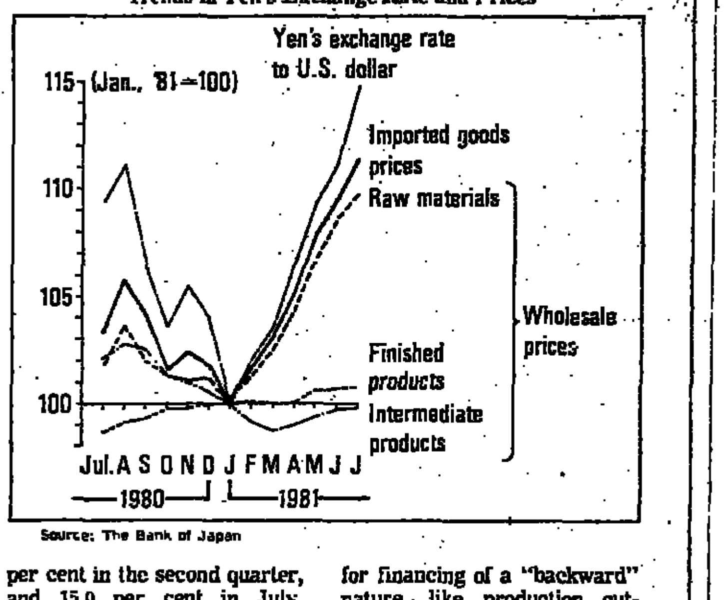
But a variety of pressures had lately combined to endanger the talks, notably Japanese fears that they would provide a forum for the U.S. and the EEC to launch a concerted attack on Japan's export practices.

Japanese doubts over the nature of the talks have also been mirrored inside the European Community. Some EEC member states, France in particular, have been concerned that the informal ministerial review of trade problems could develop into a more formal negotiation.

The Chicago consultations *that now give the green light for* the trilateral talks to take place in about a month's time have made it plain that the New York meeting is designed to produce a "weather forecast."

Not only will the Japanese be asked to assess the volume of their exports of "sensitive" products such as motor cars and electronics goods during the year, but also Herr Wilhelm Haferkamp, the EEC's Commissioner for External Affairs and Mr Bill Brock, the U.S. Special Trade Representative, will be invited to forecast protectionist measures in the EEC and U.S. that might distort free trade.

Trends in Yen's Exchange Rate and Prices



Source: The Bank of Japan

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Expansion and tours planned by British Midland Airways

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH MIDLAND AIRWAYS, the UK's largest privately-owned domestic airline, is to expand its route network and aircraft fleet, and re-enter the Mediterranean leisure market.

Mr Michael Bishop, chairman, said yesterday the airline had leased a 30-seat Short SD-330 turbo-prop airliner for six months. This will operate on the airline's new East Midlands-Heathrow service, which is now being flown three times daily each way.

The airline is acquiring two Fokker 44-seat F-27 turbo-prop airliners for use on domestic winter flights. With these smaller aircraft it hopes to improve profitability. This was hit, along with that of other UK airlines, by the past summer's air-traffic controllers' dispute.

British Midland introduced about 300 redundancies and a pay freeze last winter, however, and was leaner and tougher to withstand the summer's problems. Bishop said there would be no more redundancies this winter and that by next spring the airline might be able to take on more staff.

Among its route expansion plans the airline is waiting for a Civil Aviation Authority decision on its bid to compete with British Airways on the London to Glasgow and Edinburgh routes.

It has also applied to take over the Birmingham-Brussels route being abandoned by British Airways.

The airline will base its two Boeing 707 jets at Birmingham. It is negotiating contracts worth £10m with tour-operators for inclusive-tour holiday flights next summer from Birmingham and the East Midlands airports to Palma, Ibiza, Malaga, Alicante, Faro, Corfu, Crete and Tenerife.

British Midland intends to remain primarily a domestic schedule service airline, however, with only about 25 per cent of its total output assigned to the inclusive-tour market, principally from the Midlands.

The airline is studying its longer-term fleet equipment plans and showing strong interest in the new stretched version of the twin turbo-prop British Aerospace 748 airliner, seating up to 66 pasengers.

Skyship 500 on its maiden flight over Bedfordshire.

Airship makes successful 30-minute maiden flight

BY OUR AEROSPACE CORRESPONDENT

THE FIRST of a new generation of British-built airships, the Skyship 500 built by Airship Industries, made its maiden flight successfully yesterday from the Royal Aircraft Establishment, Cardington, Bedfordshire.

The Skyship 500 is 164 ft long, with a diameter of 46 ft *and an overall height of* 61 ft. It is powered by twin six-cylinder air-cooled petrol engines driving variable-pitch propellers, giving a maximum speed of 63 knots.

Major sub-contractors *involved in the airship's construction* have included Porsche, Slingsby Engineering and the Westland Aircraft group.

The Skyship 500 is designed to perform a wide range of tasks. These include military surveillance and reconnaissance and as a television platform in a civil role.

It is intended that early next year, after completing flight-trials and airworthiness certification, four Skyship 500s will be leased to potential users for trials and longer-term evaluation.

Stansted airport inquiry heads for turbulence

Whether London should have a third airport——and where—is causing long and bitter debate, **Michael Donne** reports

THE PUBLIC planning inquiry into the development of Stansted as the third major airport for London, which opens today at Quendon Park in Essex, is not only likely to be the longest and most expensive inquiry yet held in this country, but also the most bitter.

It is, in effect, three planning inquiries rolled into one.

The major inquiry is into the British Airports Authority's plan to expand Stansted to cater for up to 15m pasengers a year from the present capacity of about 1m (although it handles far fewer than that), and ultimately up to about 50m passengers a year, with a second runway, as demand through the rest of the country may require.

However, various local *authorities and* other organisations, who have been incensed by the BAA's attempt to promote Stansted, have submitted rival applications of their own.

The Uttlesford District Council, in whose area Stansted lies, has tried to turn the tables on the BAA by submitting a planning application for the development of a fifth passenger terminal at Heathrow Airport.

This bid has the support not only of British Airways—which wants to see a fifth terminal at Heathrow—but also of many *other airlines which use that* airport and are fearful of what *may happen to their costs if* they have to conduct "split" operations at two major airports in the London area. The fifth terminal proposal is being strongly opposed by the BAA.

The third thread in the tangled skein comes from the Town and Country Planning Association which has applied for the resuscitation of the plan to put the third airport on reclaimed land at Maplin, off the Essex coast.

This is being fought by local environmental objectors, such *as the Defenders of Essex, who* strongly opposed the original plan to develop Maplin, which was abandoned by the Labour Government *in 1974* when work on it had barely begun.

By rolling all three planning applications into one inquiry, Mr Michael Heseltine Environment Secretary, has imposed a *formidable* task on Mr Graham Eyre, QC, the inspector he has appointed to hear the evidence and make recommendations.

Most people in the civil aviation and travel industries believe the inquiry will stretch to nine months and, perhaps, even to as much as a year or more.

Therefore, many millions of words will be spoken and much *acrimonious argument* heard.

The quiet atmosphere surrounding Quendon Park, the former home of the Earl of Inchcape, will reverberate to the angry tones of scores of local councils, associations, and individuals who feel that their homes in the quiet of rural Essex are now under attack for the third time in 20 years—first in 1964-1966 and again in the Roskill Inquiry of *1968-71*.

The Stansted Inquiry has already polarised the civil aviation *community into* opposite camps. Strong and even angry words fly between them.

Everyone in civil aviation is convinced that, once the recession passes, air travel growth will resume. But there are marked differences of view about the rate of growth, and about the number of passengers *that can be expected* at the airports in London and the South-East.

The Government's Working Party on the Forecasting of Air Traffic, whose report was published last week, suggested that by 1990, air traffic in the London region might range anywhere between 52.6m a year and 70.3m, and that by the year 2000, it might be anywhere between 67.9m and 110.9m a year.

The Department of Trade—which uses these forecasts to help it decide on levels of investment in airport development and other areas of civil aviation—is conscious of the substantial gap between the "low" and "high" forecasts, *and is taking for its own purposes* a narrower range of figures—between 46m and 50m *for 1985; between 56m and 67m* for 1990; and between 65m and 84m for 1995.

Even so, with such extremes of forecasting, it will be very difficult at the Stansted Inquiry for anyone to state with confidence just what is going to happen to civil aviation in the next 20 years.

All that they will be able to say is that air traffic will grow, and that additional airport capacity will be needed somewhere to cope with it.

This brings in another thread to the argument. Whereas British Airways (and other airlines using Heathrow) believe the growth can be contained with a fifth terminal there (and with a second major terminal at Gatwick), and while the airports authority says the growth must be catered for at Stansted, many regional airports want to see the growth spreading into the provinces.

Manchester Airport, the third largest in Britain, feels strongly about the need for more development at regional airports. Mr Gil Thompson, chief executive of the Manchester International Airport Authority, has said *Manchester will oppose* the Stansted plan at the inquiry, arguing that "it would *be sheer hypocrisy on the part* of the Government to deny expansion of Manchester and *other regional airports*, on the one hand by putting constraints on their future capital spending, and on the other by spending some £1bn on yet another airport in the already congested South-East."

Those constraints on future capital spending, says Mr Thompson, at best could slow *down the further expansion of* Manchester Airport — where more than £50m is earmarked for improvements of many kinds, including the current runway extension—and at worst, could cause the airport planners *to cancel some of their* development plans. This view is shared by many other *regional airports*.

The Stansted affair is therefore not just a South-east matter.

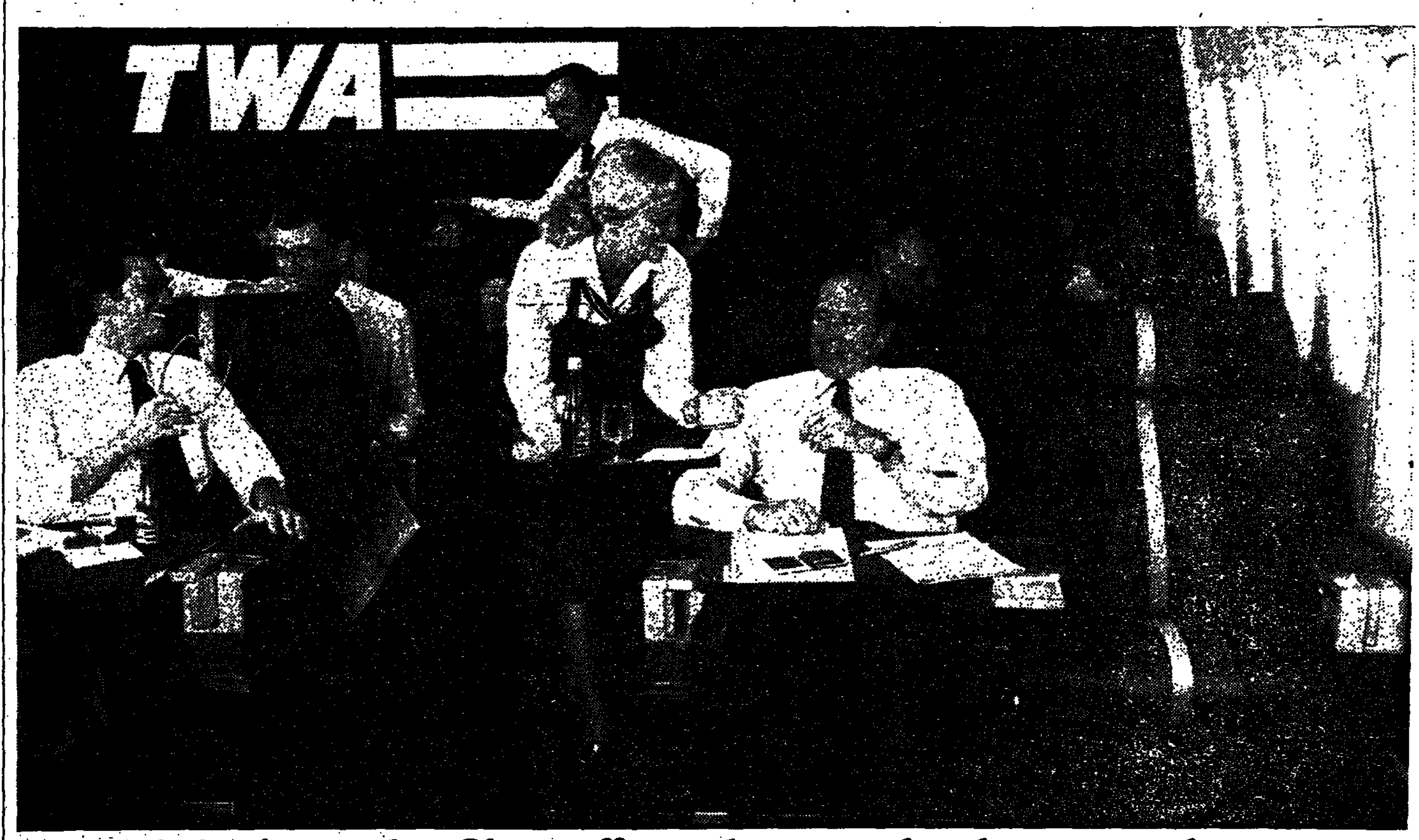
It is also a fight between the South-east and the regions, who believe strongly that if only the Government permitted much more development of their airports, and did more to encourage airlines to use those airports, the pressures on London and the South-east might be eased substantially.

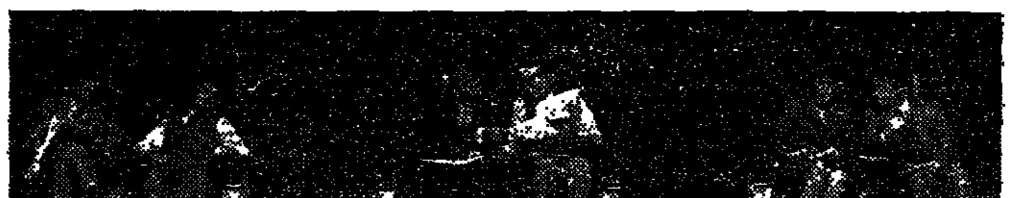
It is this complex tangle of *views that Mr Graham Eyre has* to unravel. He will, helped by *Mr* Philip Maynard, a principal planning inspector with the Department of the Environment, and Mr William Woodruff, who recently retired as controller of the National Air Traffic Control Services.

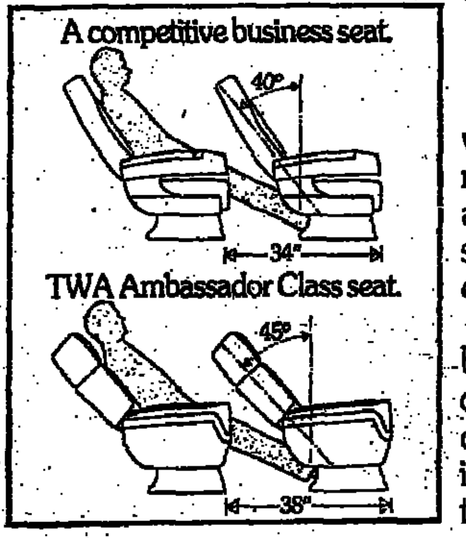
Whatever recommendations the inquiry may make to the Government, the final decision will have to be a political one. And it is this that worries the civil aviation industry.

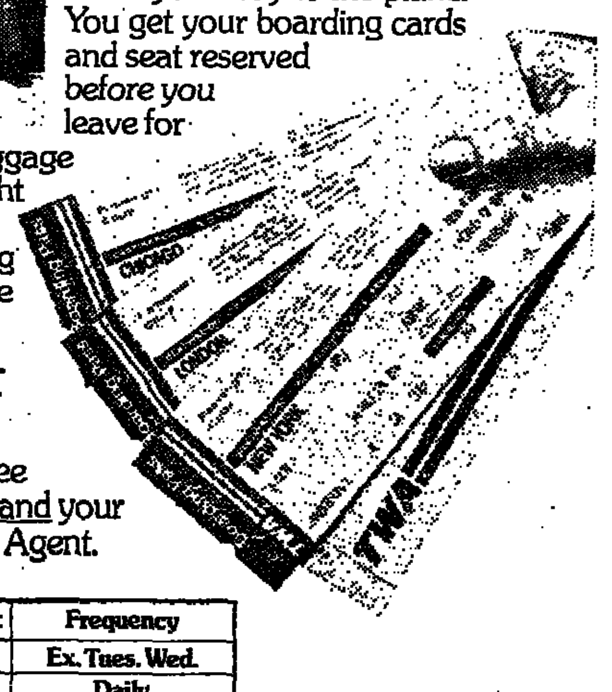
Even should the inspector *produce his report* some time in 1983, it is likely that the Government will need at least six months or more to study it. Any kind of decision may therefore not be forthcoming until late 1983 or even early 1984.

At that time, the present Government may either have held, or be moving towards, a *general election*.









Barclaycard interest rate up 0.25%

BY ALAN FRIEDMAN

BARCLAYCARD, the Barclays Bank card subsidiary announced an increase yesterday in the monthly rate of interest to cardholders from 2 per cent to 2.25 per cent.

The rise, attributed to higher cost of funds, means that Barclaycard customers will pay an annual rate of 30.6 per cent for purchases, and about 30.9 per cent for cash advances.

The increase in these rates affects more than 5m cardholders, including customers of Yorkshire Bank, Bank of Scotland and the Co-operative Bank. The Trustee Savings Bank's Trustcard will not be affected.

The increase is effective from November 1. Interest at the new rate, calculated on the daily balance left outstanding from the previous statement date, will be charged and shown on cardholder statements issued from November 1.

As a result of the increase monthly interest rate returns to its level of last March, and Access cardholders have a cheaper card. The Access monthly interest rate is still 2 per cent.

National Westminster Bank, which accounts for about 40 per cent of all Access customers, said that the monthly rate was being reviewed, but no decision had been taken.

Other banks in the Access consortium — Midland and Lloyds Bank—said that they knew of no plan to raise the 2 per cent rate immediately. It is possible that Access banks will follow suit

Barclays Bank disclosed a rise in the interest rate on all new personal loans, known as Barclayloans. From October 7 the true annual rate will be 20.7 per cent, compared with the previous 18.8 per cent.

This personal loan rate puts Barclays in the middle, with some clearing banks higher, and one lower. National Westminster's effective rate, also calculated over a two-year period, is 19.7 per cent.

Lloyds Bank and Midland charge an effective annual rate of 21.7 per cent on personal loans.

● National Girobank, the banking arm of the Post Office, is raising the limit its cheque guarantee card customers can withdraw from £50 to £100. Customers will be able to withdraw this amount from their accounts every other working day.

The facility will be available only at the Post Office branch named on the customer's guarantee card.

BP trims industrial and commercial fuel price rises

BY MARTIN DICKSON, ENERGY CORRESPONDENT

THE PRICE war between the oil companies took a twist yesterday when BP Oil said it was raising prices of industrial and commercial fuels by less *than its competitors.*

The move is meant to put pressure out he other groups, which put up their prces last week, to stop cutting petrol prices. Since the start of this month petrol has fallen by about 2p a gallon at the pumps to between 166p and 168p for a gallon of four star, as companies have reintroduced support for dealers.

BP said yesterday it was implementing lower increases because it believed the overall rises needed in product prices should not be borne solely by industrial customers.

Price support should end and petrol should rise by at least 2p a gallon.

The company, which lost £93m on its UK operations in the first six months of the year, said it *was still losing money on pro*duct sales.

Mobil, which last week accused Shell and Esso, the market leaders, of being the prime movers in price cutting in an attempt to increase market share, last night agreed with BP's call for an end to dealer support.

However, other companies gave no indication that dearer *petrol was likely.*

The increases in BP's industrial fuels, which came into effect at midnight average 2.3p a gallon. Retail diesel goes up by 4.05p a gallon, gasoil and light fuel oil by 3p.

Standard burning oil rises by 5.91p a gallon and pink paraffin by 6.82p. These two increases are in line with those byo ther companies.

Esso took the lead in raising prices early last week and was followed on Friday by Shell and Mobil. Shell pointed out that it had lost £42m in the first half of this year

Texaco announces boost for Tartan oilfield production

BY MARTIN DICKSON

*TEXACO, whose Tartan oil*field output has been building up much more slowly than *originally planned,* has announced a significant production boost.

The company, which *wholly owns the field* 110 miles north-east of Aberdeen, said it had linked the pro*duction system with the first* in a series of special wells drilled from a floating rig designed to speed up output.

It was intended that Tartan should enter production in spring last year, but bad *weather and other delays*—notably the drilling of an unproductive well on the *geologically complex block*—meant it did not start up until January.

To counter these delays, the company changed the field's development programme. Originally it was *intended to drill all* the production wells from the field's single fixed platform.

But a *floating* semi-submersible rig, the Ocean Kokuei, was brought in to drill up to five wells away from the platform, to be used for oil production and water injection to conserve reservoir pressure.

Texaco said yesterday that the first of these, two miles *south east of the Tartan plat*form, had tested oil at 11,549 barrels a day through a two-inch choke

This well, and the completion of one from the platform, is expected to boost *Tartan's production from* around 11,000 b/d to nearly 30,000 b/d.

West warned against dangers of oil glut complacency

BY OUR ENERGY CORRESPONDENT

THE INTERNATIONAL oil market is likely to tighten again in a few years and there is a danger that complacency over the current glut could increase the West's vulnerability to interruptions in supply.

These observations were made yesterday by Dr Herman Franssen, the International *Energy Agency's chief economist.*

He was speaking at a London oil conference organised by the International Herald Tribune and Oil Daily.

Dr Franssen said price factors and sluggish economic growth in the rest of this year and most of next were likely to keep non-*Communist world oil demand* from rising more than 2 per cent next year.

Consumption had dropped from 51.8m barrels a day in 1979 to 49.4m b/d last year. In 1981 it was estimated to have fallen 6 per cent to 46.5m b/d. It was projected to rise next year to 47.3m b/d.

"With demand for its oil projected to be low again in 1982, the Organisation of Petroleum Exporting Countries will un*doubtedly be in for some rough* sailing in the year ahead and possibly in the next few years," Dr Franssen said.

It was reasonable to suggest real oil prices might be constant over the next few years or that there might even be a drop on real 1980s prices—assuming there were no major *additional disturbances in key* oil-producing Gulf states.

He did not agree, however, with analysts who said the most likely outcome of the 1979-80 oil crisis was constant prices in 1980 dollars throughout the 1980s or even to the end of the century.

Non - Communist world demand was likely to rise to 49m b/d-51m b/d in the mid-1980s and to 52m b/d-55m b/d in about 1990.

If the per capita income gap between the industrial world and the developing countries was to be narrowed, the latter would have to grow at about 5 per cent a year. This would lead to soaring oil demand, even with substantial growth in other energy sources.

Potential non-Communist *world output would probably* range between 50m b/d-53m b/d in the mid-to late-1980s. This would be more than adequate to meet projected demand at constant real prices for the next few years. Thereafter however, the market was likely to tighten again.

"We are running the risk of postponing important investment decisions to build new electric power plants, liquefied natural-gas facilities and synthetic-fuel plants for too long, thereby remaining more dependent on imported oil than cur*rent optimistic projections* suggest," Dr Franssen said.

He estimated that 50 per cent *or slightly less of the decline in* industrial countries' oil demand since 1979 was due to conservation and fuel-switching.

Between one-third and one-half, however, might have been caused by other forces, mainly cyclical, and, as soon as the economies of the industrialised countries began to recover from recession, oil demand was likely to increase.

Mr. John Lichtblau, executive director of the Petroleum Industry Research Foundation in New York, told the conference this year's drop in oil prices *was beginning to affect U.S.* energy investment decisions.

Synthetic-fuels projects were being scaled back, postponed or cancelled. A similar fate might await the Alaskan gas-pipeline project.

He asked whether the actions of U.S. businessmen and Government could contain the *seeds of a sharp real oil-price* rise in the late 1980s. He said this possibility could not be dismissed.

Fewer foreign tourists as more Britons go abroad

BY JAMES McDONALD

FEWER PEOPLE came to the UK for holidays, and more Britons holidayed abroad in July than last year, say Department of Trade statistics.

There were 1.4m overseas *visitors, 17 per cent fewer than* in July last year, while Britons' visits abroad, 2.23m, were 14 per cent higher.

For the first time in six months there was no deficit on the travel account. Visitors to the UK and Britons abroad both spent £370m.

The way the balance was reached in a peak holiday month was not encouraging. Earnings from overseas visitors were £31m or 7.7 per cent lower than in July 1980, while spending abroad by Britons was £70m or 23.3 per cent higher.

Visits from North America were about the same, but visitors from the European Community were down by 28 per cent; from other West European countries 3 per cent; and from other areas 10 per cent.

With the pound much weaker against the dollar than in 1980, visits to North America in July were down by 3 per cent. Visits to the European Community increased by 8 and to other West European countries by 48 per cent.

International Passenger Survey figures for the first seven *months of this year show that* visitors to the UK, at 6.18m, were 12 per cent fewer than in the same period of 1980. Visits abroad by Britons were 6 per cent higher at 9.90m. Visitors to Britain spent 10 per cent less *at £1.47bn, while Britons spent* 16 per cent more, £1.60bn.

University plans on job security face legal delay

PLANS by many universities to cut the job-security of newly appointed academic *staff are liable to be blocked,* possibly for years.

Moves to change academics' employment contracts so that newly engaged staff can, in future, be dismissed on grounds of redundancy are being made by the Committee of Vice-Chancellors and Principals.

Whether the new contracts can be put into force, however, will depend on the particular university's charter and statutes.

If these were incompatible with the proposed reduction in job-security, the university concerned would have to apply through the Privy *Council for its charter* and statutes to be amended

Anglo-U.S. fund invests in electronics companies

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

TWO INVESTMENTS in electronics companies, totalling £570,900, have been made by the *Anglo-American Venture* Fund. This investment company is jointly owned and run by the National Enterprise Board and Mr Jack Melchor, a Californian venture-capitalist.

The investments were announced yesterday at a conference in Durham run by Mr Melchor and the British Technology Group, of which the NEB is part.

Both investments are in the assisted regions and involve products in key areas of computer and video technology.

A range of video display terminals is to be made in Warrington New Town, for the *European market, by Direct* (UK), starting next year, as a result of a £300,900 investment by the fund.

Mr Melchor negotiated the arrangements with *Direct Inc.* of Sunnyvale, California. This company developed terminals that can be operated by users of Hewlett-Packard equipment.

The second investment, £270,000, is into Set Systems. This company developed a range of computer terminals that requires only a limited amount of knowledge to operate.

The company was formed in the Thames Valley last year. It will move to the *North West* because of the investment.

The Anglo-American fund was set up by the NEB last November to bring U.S. venture-capital experience to the UK and to increase the number of high-technology projects in the regions.

Anglo-French talks start on Channel link project

FINANCIAL TIMES REPORTER

EXPLORATORY TALKS on the Channel link project began in Paris yesterday between British and French transport officials.

The talks come three weeks after Mrs Margaret Thatcher and President Mitterrand decided at their London summit to revive *Anglo-French* co-operation on the project.

Eight plans have been put to the Transport Department. These range from the single-bore rail tunnel proposed by British Rail and French Rail, to British Steel's scheme for a rail and road link.

Until recently the French Government was unenthusiastic about reviving the project, *abruptly ended by the Labour* Government in 1975. The new French President has, however, encouraged British officials by his constructive, flexible attitude to it.

Last Friday Mr David Howell, the Transport Secretary, met the EEC's transport committee to discuss how the EEC as a whole could participate in the

Ford offer on redundancy

THE Ford Motor Company *announced* improved redundancy terms in a bid to cut back the 1,850 workforce at its Swansea, South Wales, axle and gearbox plant.

In future, workers volunteering for redundancy will receive an ex gratia payment of 13 weeks' wages on top of already-established severance payments.

The company asked for 250 redundancy volunteers more than a year ago *but* there have been no takers. The move is opposed by unions who want work-sharing

Builders' merchants more confident of prospects

BY WILLIAM COCHRANE

THE Builders' Merchants Federation, which in August produced figures showing merchants continuing to claw back lost ground, said yesterday its latest survey revealed a marked increase in confidence for future trading prospects.

Looking ahead six months to March 1982, 26 per cent of builders' merchants expected greater sales and 47 per cent felt they would hold their own. There was a 17 per cent fall, compared with the previous survey, in June, in the number of merchants expecting their sales volume to decrease.

Most optimism was shown in the South. There the number *of merchants expecting to* register more sales in the next six months increased by 21 per cent.

Asked to predict sales in 12 months time, merchants maintained their short-term confidence. Of the total, 75 per cent believed they would be doing better or the same by September 1982

Government cash sought for North-West

BY RHYS DAVID, NORTHERN CORRESPONDENT

MANCHESTER Chamber of Commerce is demanding increased government spending in the North-West. In a six-point plan to boost the area's economy, it claims that too much money is in danger of being divested to the South-East.

*Mr Paul Saulter, the cham*ber's chief executive, said yesterday that although there was evidence the recession was bottoming out, the region needed a helping hand to recover from its worst effects. Higher investment needed to be stimulated if industry was to achieve improved productivity.

Present indications were that investment in the region was still at a low level and the recent rise in interest rates would discourage capital formation further.

In *examples of excessive* money being spent on the South-East, the chamber detailed *schemes like the estimated* £600m expenditure on developing Stansted as the third London airport. The money should go instead on developing Manchester which will handle about 5m passengers this year, and other regional airports.

The chamber also urges further spending in the region on improved roads and rail links and on the sewerage system, much of which is collapsing.

"This would enable the region's hard-pressed construction industry to increase econo*mic activity and lead to further* financial benefits for the community," Mr Saulter said.

The chamber wants to see Manchester become the headquarters of the EEC's Patent Office. At present Britain is putting forward London as its candidate and government ministers have rejected an application by Manchester.

Other demands include a reduction in interest rates and government action to restrain the rise in nationalised industry prices.

The chamber is pressing Greater Manchester Council and Manchester City Council to *proceed quickly* with redeveloping Central Station as an exhibition complex, to ensure the area is not left without facilities when the Belle Vue complex is redevelopd shortly for industrial, housing and leisure.

● Mayfield Holdings, a management buy-out company, is to invest *£500,000* on equipment for its William Reed weaving subsidiary.

The company was formed in April when four former ICI employees concluded a deal with ICI to take on the Mayfield mill of its Intex Yarns subsidiary at Ashbourne, Derbyshire. At the same time William Reed, part of Rivington Reed, the carpets and fabric group, was acquired from the receivers and a fifth partner joined the consortium.

The group, which claims to be trading profitably with a turnover running at £15m, is putting in water jet looms and spending £100,000 on dyeing equipment for Reed's Century dyeing subsidiary.

U.S. urged to improve on Brandt economic proposals

By Anatole Kaletsky

THE U.S. should *launch* a "positive programme for an international economic order offering a better *promise* for human welfare and aspirations" than the Brandt report, *Professor* Karl Brunner said in London yesterday.

He was speaking at London's Trade Policy Research Centre before the conference on North-South issues to be held at Cancun, Mexico.

Professor Brunner, a leading monetary economist *whose* views have been influential with the Reagan and Thatcher administrations, said the Brandt Commission had provided justifications for an "extension of socialist institutions to the *international* arena. It has also legitimised the "power monopoly of political oligarchies."

The idea of creating a New International Economic Order represented a political trend radically opposed to *the* Reagan administration's concept of the social and political organisation of a free society.

The U.S. should seek an international economic order based on a "perception of man consistent with the core of economic analysis and with the realities of our world."

Professor Brunner strongly attacked an attempt to redistribute world resources through official institutions such as the Law of the Sea Conference and the World Bank.

The World Bank should "eliminate all redistributionist schemes and political *loans so persistently* cultivated under Mr Robert McNamara's presidency."

It should act as a commercial bank, specialising in making loans to private international investors.

The U.S. should reject any international treaty on the Law of the Sea and instead *lead other nations in* passing legislation permitting businesses to operate freely in the deep seas.

A new international monetary system should be a major goal of U.S. policy, he said. This should be achieved without the aid of international organisations and agreements but through an "alternative strategy fully under the control of the U.S.," based on a stable domestic monetary and fiscal policy.

OBITUARY

Mr George Pulay

MR GEORGE PULAY, 58, a director of Charles Barker ABH International and chairman of Charles Barker CBC and Charles Barker Lyons has died.

Mr Pulay had been a director of the advertising and public relations group's parent company, Charles Barker ABH International, since 1972 and was a founder director of Charles Barker *CBC (formerly Charles Bar*ker City) in 1968. He became chairman in 1977.

After serving in the Second World War in the Army Intelligence Corps, Mr Pulay joined the editorial staff of the Daily Telegraph. He became the assistant city editor in 1956-59. He was subse*quently the deputy city editor* of the News Chronicle (1959-1960) and after joining The Times in 1962 he was the newspaper's city editor between 1966-68.

Boeing purchase

HORIZON TRAVEL is to buy *another Boeing 737 jet air*liner for its wholly-owned subsidiary, Orion Airways, which does holiday flights from the East Midlands, Manchester, Luton, Birmingham and Gatwick. Orion's seventh 737, *will cost $14m and is due for* delivery in March, 1983.

Car sales plan

MERCANTILE CREDIT, the Barclays Bank credit subsidiary, has formed a joint financial company with Alfa Romeo, the Italian car manufacturer. Alfa Romeo Finance is seen as a major plank in the company's attempts to increase car sales in Britain from the present 1981 estimate of about 8,500 cars.

Bath club sold

THE FORMER headquarters of the Bath Club in Mayfair, which went into liquidation earlier *this* year, has been sold for more than £1m to Sunley Holdings the building, *civil engineering and* property development group. Sunley, which has acquired a long lease on the building at 41-43 Brook Street, said that it had no immediate plans for the premises but will be having discussions with the freeholder and local planning authorities "with a view to substantially improving the property for mixed usages."

BR club offers half-price fares

BY JAMES McDONALD

A TRAVEL club launched yesterday by British Rail for the 250,000 holders of annual season tickets is offering members half price rail travel at weekends and half price travel mid-week and at weekends for their husbands, wives or an adult friend. In addition, £1 flat fares are available for up to four children.

The scheme, aimed at increasing British Rail's cash flow and annual season ticket sales, is being promoted by direct mail and leaflets and posters at all BR stations.

BR tested the market for the Journey Club, as it is called, earlier this year when it offered annual season ticket *holders a free day out* by rail and was encouraged by the acceptance of 120,000 season ticket holders—nearly a 50 per cent take-up.

Those who accepted the offer provided BR with a mailing list and they have been posted copies of the club's first journal and invitations to join.

Journey Club membership costs £2 a year and is open to holders of BR and joint BR-London Transport annual season tickets. The green membership card doubles as a railcard which can be used to buy Awayday (day return) tickets at half-price for use at weekends and bank holidays.

For an extra £1, members can have a second red coloured railcard for wives, husbands or an adult friend which they can use to buy half price Awayday tickets on Tuesdays, Wednesdays and Thursdays in addition to weekends and bank holidays. Holders of either railcard can take up to four children with them on day trips at a flat fare of £1 for each child.

Members will receive special travel offers from time to time. In the first issue of the quarterly club magazine, Journey, a £36 three-day and two-night visit to Paris is offered. Also on offer is a reduction of 25 per cent off full *ordinary fares* on most Sealink and BR hovercraft services.

"Joining the new club is all about value for money because it puts added value on your season ticket," writes Sir Peter Parker, chairman of BR, in the journal.

Mr David Rayner, BR's passenger sales officer, said the club would provide a valuable link between BR and annual season ticket holders. "We hope half price fares will encourage members and their families to travel more by rail. With car *costs soaring* we believe the *club will be a boon for family* outings."

State industry directors seek major pay rises

BY OUR INDUSTRIAL EDITOR

THE GOVERNMENT has been asked to approve major increases in the pay of nationalised industry board members "as a matter of urgency."

A letter criticising what the Government has done so far has been sent by the Association of Members of State Industry Boards — which repre*sents board members below* the rank of chairman — to Baroness Young, Chancellor of the Duchy of Lancaster, who inherited ministerial responsibility for public service salaries from Lord Soames in the recent reshuffle.

Written by Mr Denis Dodds, chairman of the association, the *letter says that "executive* board members continue to be appalled at the depression of their salaries well below market levels."

The board members understood the "need to share in any *equality of sacrifice necessary* to achieve the control of inflation." But the "inescapable needs of the situation" necessitated substantial increases.

A problem of "inverse differentials" had developed in several industries with board members earning less than their senior executives. To cure *this, increases were* needed as a matter of urgency to meet demands tabled by nationalised industries in the past few months.

The system for determining nationalised industry boardroom salaries was changed earlier this year when the Prime Minister said they were *to be fixed primarily in rela*tion to market considerations. Individual industries now prepare their claims which are then considered by government departments.

Office politics 'affected by problem drinking'

BY GARETH GRIFFITHS

BUSINESS executives are particularly vulnerable to pressures leading to alcoholism with problem drinking often playing an important role in office politics, a conference was told yesterday.

Professor William Linford Rees, *Emeritus Professor of* Psychiatry at London University, told the World Conference on Alcoholism, which is meeting in London this week, that the problem drinkers at the *head of companies were isolated* from the rest of their organisations by a potential clique of subordinates.

"They in turn, achieve power and material gain, and control the top executive with clearly understood yet unexpressed threats of exposure. Thus, the executive usually gives in to *their demands* rather than risk any exposure," he said.

Heavy or dependent drinking was often a release from the tensions imposed on executives. Executives were often able to set their own hours and this enabled them to cover their developing alcoholism. At the same time, in many companies, the *social* ambience *implied* a certain amount of drinking.

Professor Linford Rees' paper argued that the successful executive might be subject to less stress than people working for promotion. However, there was a need for comprehensive stress management programmes in companies to enable staff to *cope with problem drinking.*

The conference is being organised by Charter Medical of England, the International Council on Alcohol and Addictions, and the American Medical Society on Alcoholism. There is a strong input from the United States in the papers to be delivered.

£11m spending planned to boost photo film sales

BY ELAINE WILLIAMS

THE BRITISH photographic *in*dustry is likely to spend more than £11m this year to promote sales of films and equipment.

This year the total photographic market is expected to rise to more than £550m compared *with about* £480m in 1980, but the industry has become worried that this growth, particularly *in the film*-processing sector, is slowing.

Already high street shops and mail-order companies which process films are cutting prices to win trade. A report published by the industry yesterday says the processing sector is worth £210m — nearly half the *total market.* *This* compares with £155m each for films and camera equipment.

The photographic industry is particularly anxious to promote greater film sales. On average, Britons take only 100 photographs a year. More than half the 15m camera owners used only three films or fewer each last year, and 13 per cent of owners made no use of their cameras at all.

British *interest in photo*graphy lags well behind the U.S., Germany and Japan, and Britain is thought to *be among* the lowest users of films in Europe.

Papers launch computer information system

BY LISA WOOD

THE FIRST *phase* of a computerised information system for regional newspaper advertisers *was* introduced yesterday.

The system holds information related to newspapers and their circulation areas in Scotland, but information on newspapers in England and Wales will become available in the next three months.

Advertisers and agencies will be able to obtain information about the penetration of the 75 per cent of regional newspapers who are members of *the* Regional Newspapers Advertising Bureau (RNAB). The *system was* introduced at the first RNAB conference which was held in London.

Included in the computer library are 60 pieces of census information relating to the 8,900 UK postal code sectors.

UK NEWS—LABOUR

TUC bid to improve health service pay negotiations

BY BRIAN GROOM, LABOUR STAFF

THE TUC proposed an improved system of pay determination and industrial relations yesterday for the National Health Service's 1m-plus employees which it said would reduce need for disputes.

In return it wants the Government to feed results of pay negotiations into its expenditure planning instead of imposing cash limits in advance.

The importance of comparability should be recognised by setting up a jointly controlled independent NHS databank to supply information for collective bargaining, the Health Services Committee says in a report prepared by a working party for two years after a recommendation by the Royal Commission on the NHS in July 1979.

It supports establishment of an NHS arbitration tribunal.

The TUC backs continuation of collective bargaining and the system whereby most national negotiation is conducted in the joint Whitley Councils. In one of the report's more controversial sections it states that there should be a "marked reduction" in number of the 41 unions and professional associations with bargaining rights.

Recognised organisations should be trade unions, normally affiliated to the TUC, and able to provide full services of national and local representation, research and training.

No fewer than 28 of the recognised negotiating bodies are outside the TUC, including the British Medical Association; the British Dental Association; and the Royal College of Nursing and Midwives. TUC unions organise about three-quarters of NHS employees.

The TUC finds the distinction between "trade unions" and "professional associations" decreasingly valid. Unions now fully recognise the importance of promoting the professional interests of NHS staff, while the biggest professional associations fully resemble trade unions, it says.

This part of the report was attacked yesterday by the British Medical Association, which objected to the recommendation that two small TUC-affiliated bodies, the Hospital Consultants' and Specialists' Association and the Medical Practitioners' Union section of ASTMS, should enter the representative structure for doctors and dentists.

These groups "do not even meet the criteria for recognition set out in the report," the BMA said. The members of the two groups already had the right to vote for and stand for election to the committees recognised for negotiating purposes.

The Royal College of Nursing, with nearly 200,000 members, which rejected TUC affiliation in a ballot two years ago, said it was too early to comment on the report. It is likely to vote again on affiliation next year.

The TUC wants a stronger link between membership numbers and seats on collective bargaining bodies.

Though it backs continuation of national pay bargaining it recommends extension of some forms of supplementary local bargaining and wants joint shop stewards' committees recognised in every NHS district.

The TUC recommends a code of practice for industrial disputes, largely based on present codes of TUC unions, which stresses that essential emergency services should be maintained.

To help achieve compliance with the code it wants the Government to withdraw a circular which it considers "provocative," advising managers on such measures as suspension, withholding pay, using "volunteers" and contingency planning for a dispute.

The TUC will consult management and the professional associations and plans to meet Mr Norman Fowler, the new Social Services Secretary.

* *Improving Industrial Relations in the Health Service, TUC, Congress House, Great Russell Street, WC1; £6.*

Strike hits assembly at BL Cars

By Our Labour Staff

PRODUCTION of the Triumph Acclaim and the Princess at BL Cars' assembly plant in Cowley, Oxford, was halted yesterday because of a dispute at the nearby Pressed Steel Fisher car body plant.

About 3,000 production and back-up workers at the body plant, members of the Transport and General Workers' Union, went on strike in sympathy with 20 men who move heavy equipment.

The equipment movers objected to contractors doing their work during last week's plant closure for the autumn holiday.

After meetings with union officials BL was hopeful that the body plant workers would turn up today and that the assembly workers would probably be recalled on Wednesday.

Furniture plant to axe 100 jobs

WORKERS AT Schreiber's furniture factory in Runcorn, Cheshire, were sent home by the management yesterday although they voted to end a month-long strike. The 320 employees have agreed to work a one-day week, and accept 100 redundancies.

They walked out four weeks ago over plans to axe 88 jobs, and the company said this had led to lost orders and the need to cut staff.

Code planned for employing homeworkers

BY OUR LABOUR STAFF

A CODE of conduct which companies employing homeworkers will be asked to comply with when dealing with the Greater London Council has been drawn up by council officers.

The code covers pay rates, equipment safety and health and was requested by the council's supplies and contract services sub-committee.

It has yet to be studied by the committee which purchases not only for the GLC, but some borough councils within and outside its area. The committee spent £167m on purchases in the 1978-79 year.

One of the principal elements of the code affects piece work rates for homeworkers whose general pay and conditions have been attacked by unions and other groups as "sweated labour."

The report says piece work rates should be the same for all homeworkers doing the same work. Companies using homeworkers would be told to ensure that they are complying with this when tendering for GLC contracts.

Because of variations in piece rates and the difficulty of monitoring these and other aspects of homeworkers' working lives it might prove difficult for the council to use this aspect of the code.

The report also argues that homeworkers' pay should be as near as possible to those of factory rates. In many cases this would result in huge increases for homeworkers.

The report says that costs such as electricity, renting of machines, and postage should be reimbursed and that holiday pay should be provided.

The code also says that safety and health guidance should be given, together with better notice on work fluctuations and clearer tax arrangements.

The code is clearly designed as a tool by which the new GLC leadership can exert the council's considerable strength in improving homeworkers' conditions.

The council has a policy of using London contractors but the code would be applied to companies from outside the GLC area.

APPOINTMENTS

Alcan Aluminium (UK) executive change

Mr G. Russell is to become managing director and chief executive officer of ALCAN ALUMINIUM (UK) from October 12. He will succeed Mr D. Morton, who is taking up an appointment as executive vice-president of ALUMINUM COMPANY OF CANADA on that date.

*

Mr Ken J. H. O'Brien, managing director of WILLIAM THYNE, is to retire at the end of March 1982, because of ill health. Mr Francis S. Thyne, at present deputy managing director and sales director of the company, will be appointed managing director from the beginning of next April.

*

Mr D. F. Jackson has been appointed financial director of JAMES NEILL HOLDINGS. He was *formerly group financial* director of Concentric.

*

Mr E. H. Nicholson has been appointed managing director of BELLING AND LEE, a member of the Cambridge Electronic Industries group, following the retirement of Mr R. E. Collins because of continuing illness. Mr D. C. Pratt has succeeded *Mr Nicholson as managing director of member company* BEPI (ELECTRONICS). Mr Pratt was managing director of Pye Borders Electronics and he remains a director of that concern.

*

Mr Stuart Hollander is to be elected to the board of VANTONA GROUP from January 1. He will be a joint managing director with Mr Martin McKay of the Compton Webb uniform division with a view to succeeding him. Mr J. I. Menaged has relinquished executive duties in the Vantona Group but remains on the group board in a non-executive capacity. Mr Hollander is at present a senior vice-president of Kurt Salmon Associates and will be leaving at the end of this year. He is also chairman of the Economic Development *Committee for* the Cotton and Allied Textile Industry.

*

Mr I. J. Scollay, who joined FOTHERGILL AND HARVEY in May 1980, has been appointed a director of the company.

*

Dr Ewan Corlett has been appointed a director of the ISLE OF MAN STEAM PACKET COMPANY *in place of the late Mr Frank* Kissack. Dr Corlett is chairman and managing director of Burness Corlett and Partners.

*

Mr Ron Lewis has been appointed commercial director of TOWCO. He was formerly commercial director of George E. Taylor, a subsidiary of the Turriff Group.

*

Mr Dennis C. Musgrave has been appointed a director of the BRITISH WATER INDUSTRIES GROUP from October 1. He is at present chief water engineer of the Department of Environment and will be continuing in that position on a part-time basis until March 31, 1982, *after which* he will be working full-time on BWIG duties.

*

Mr Harvey Chesterman is to retire as a director of TIME PRODUCTS to devote most of *his time to the group's overseas* operations, in particular the Remex Group, Hong Kong. Mr Chesterman, who is now resident abroad, will retain his directorships of overseas subsidiaries.

OVERSEAS

Mr Hugh Richardson has been appointed president of BURMAH OIL INCORPORATED, in the U.S., from October 1, having been Burmah Group chief accountant. He is succeeded by Mr Tony Heath, who was group finance director of Burmah's *Halfords subsidiaries and chief* executive of its Leonard Newman subsidiary. Mr Heath *will have the title of group* controller to the Burmah Group.

*

Mr D. M. Cannon has been *made chairman of* TRI BASIN RESOURCES and Mr D. J. McDonald *has* become vice president of mining. Both are founder directors. Also appointed to the board are Mr R. G. Welty, Mr S. J. Krist, and Mr W. Baillie.

*

Dr Robert *Holzach*, chairman of Union Bank of Switzerland, has succeeded Dr Alfred Schaefer as board chairman of UNION REINSURANCE COMPANY, Zurich. The bank is a major shareholder in the *company.*

CONTRACTS

£3.5m services for micro-chip plant

The ROSSER AND RUSSELL GROUP, building services engineers, has gained a contract worth about £3.5m for the mechanical services, air conditioning, fire protection and plumbing services at the Inmos micro-chip plant now under construction in Newport, Gwent. Due for completion in 1982, the plant makes an architectural feature of the mechanical services, exposing the air-*handling and related equipment* in a two-storey spine, running down the centre of the single-storey building.

*

In an order valued at nearly £500,000 British Telecom is to purchase more than 550 synchronous and asynchronous VDU and matrix printer terminals from NEWBURY LABORATORIES.

*

An order worth £2m has been placed with the data processing division of PHILIPS BUSINESS SYSTEMS by the Royal Bank of Scotland for the supply of branch terminal printers for about 1850 counter positions. The new printer will benefit both customers and branch staff by *printing receipts for deposits* and withdrawals. Service improvements will also arise from its capability of printing *details of recent transactions and* account balances. First installations will take place in the second half of 1982.

*

ABBEY ELECTRONICS of Macclesfield, a Stone Platt *Industries company, has an* order valued at £500,000 from British Rail for the supply of W.S.P. electronic equipment which detects and controls wheel slip and/or slide on passenger carrying railway rolling stock.

*

SULZER BROS. (UK) has been appointed mechanical and electrical services management contractor at the New Change premises of the Bank of England. The project comprises the installation of two 2055 kW and one 879 kW boiler fired by natural gas modulating burners. *Boilers will be manufactured by* Hoval Farrar with burners supplied by Saacke. Contract value is about £350,000.

*

CFE BODYWORK, part of Cheshire Fire Engineering, is to build the bodywork for 144 specially designed 30 cwt vehicles for British Telecom's telephone services in a contract *worth around £500,000.* The bodywork, in glass reinforced plastic-faced plywood on a Dodge RB56 chassis is for vehicles working as general purpose units on external plant maintenance. Each will be equipped with pole-carrying facilities, workshop and cooking equipment for use by small gangs.

*

RATSEY AND LAPTHORN, Cowes sailmaker and sailcloth *weaver, has been awarded a* contract worth £250,000 a year to make the sails for Westerly Marines' range of yachts. All *the sails for Westerly will be* made from the new Vectis Supercruise, a sailcloth specifically developed for cruising sails, with a tight weave and no resin filling. It is soft, and stows in a fraction of the space *of conventional cloth,* and is protected against ultra violet light, says the maker.

*

Cornwall County Council has placed an order worth about £250,000 with COMPAIR CONSTRUCTION and MINING for 29 Zitair 65 compressors, 29 Zitec 20 roadbreakers and a range of accessories for use in *the highways department.*

*

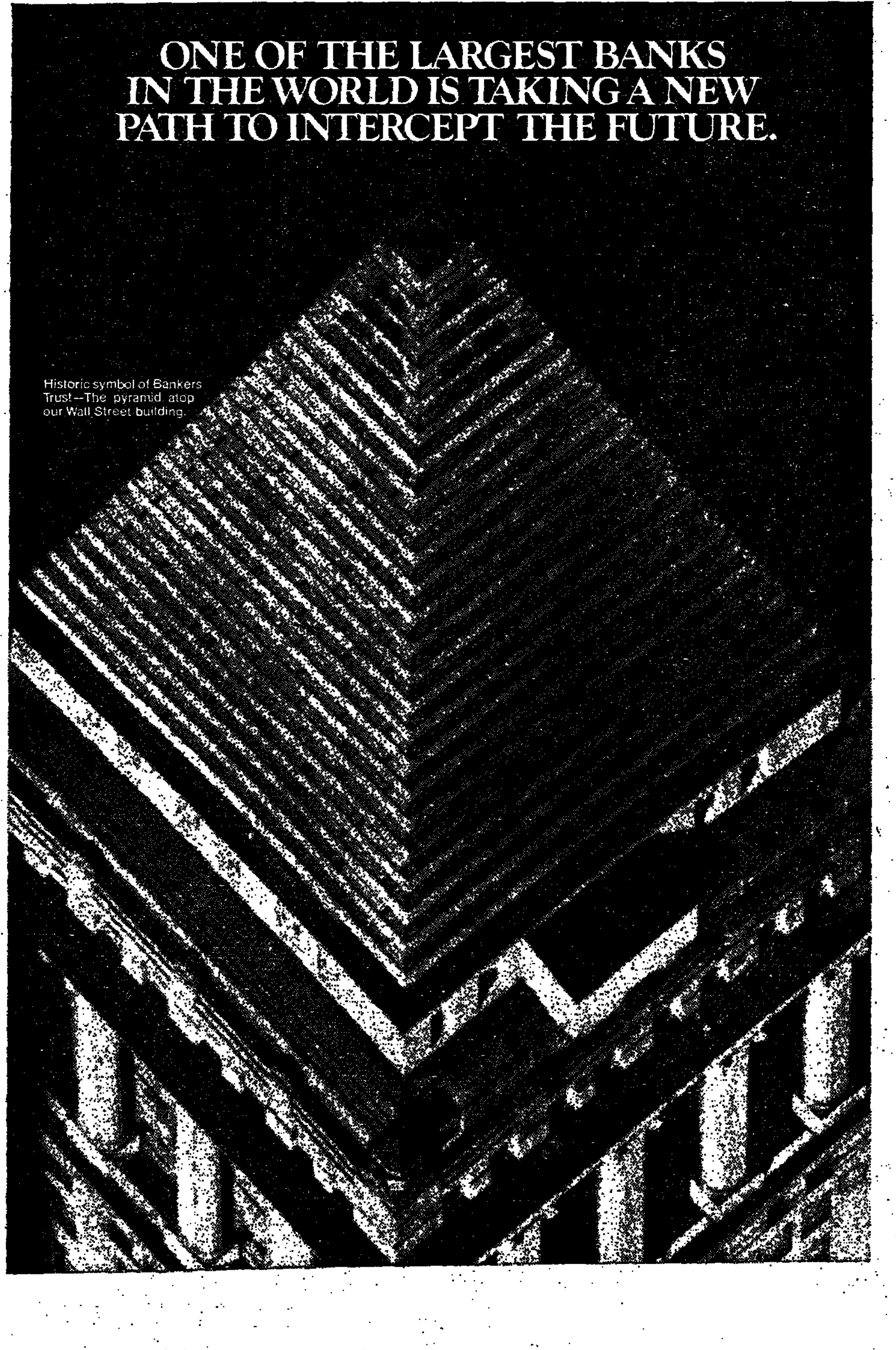
A £231,000 contract has been awarded to timber-frame builder S. WERNICK AND SONS, Brownhills, to build the Kingswood Sports and Social Club, Nuneaton. The club, which has 1,100 members, is for people living on the nearby housing estates. It will be open *by the end of January.* The single-storey building will have a function suite and bar with a stage, a lounge-bar, a games room and bar. *The steward's flat* will be two-storey. There will be a car park at the front and at the back.

*

LEX TILLOTSON is to supply 14 custom-built vehicles to the *Southern Gas Board.* The order is worth £140,000. The vehicles, all Leyland 440 EA vans, have been modified and fitted for the *Gas Board's distribution* division.

*

Vauxhall Motors Ltd has ordered a REDIFFUSION R800/70 distributed data processing system with three Writaway handprint terminals. Contract value £116,500.



Benn's performance wins prolonged acclaim

BY IVOR OWEN

BRUSHING ASIDE his narrow defeat in the deputy leadership contest 24 hours earlier. Mr Tony Benn yesterday demonstrated his continuing command over the conference.

He took on Mr Michael Foot, the party leader, over the status of MPs, and showed that he is no more ready to be bound by the collective decisions of the NEC than by those of a Labour Cabinet.

It was a virtuoso performance which won prolonged acclaim from delighted left-wingers. They had earlier given a frosty reception to the victor in the deputy leadership election when he launched a debate on Labour's alternative economic strategy.

Mr Healey stressed that the alternative strategy, with its emphasis on increased public expenditure and other reflationary measures, was supported by the entire NEC — "including Tony and me" — and appealed to delegates to unite behind it to ensure Labour's victory at the next election.

Mr Benn endorsed the need for unity but warned that attacks on Mrs Thatcher were empty rhetoric unless followed by constructive policies as set out by the party at the annual conference.

To cheers, he insisted: "We must not mislead people. We must not tell people that Labour ministers in office means a Labour government in power."

That would be deception, he said, and so too would it be to suggest that all would be well if only Mrs Thatcher and her ministers were replaced by Labour ministers and that the basic structure of wealth and power did not need to be changed.

"If we do that there will be no change," Mr Benn declared.

Like Mr Healey, who forecast an imminent rise in interest rates, he suggested that yesterday's dramatic fall in share prices could signal the collapse not just of the Government's economic policies but of the Government itself.

Benn: continuing zeal

Mr Benn told delegates: "The crisis is so big that modest demands—and ours are modest demands — will require radical change if they are to be met."

This made it all the more important, he said, to ensure that the constitution of the party was changed to get into the manifesto policy created at conference.

Some delegates applauded when Mr Benn referred to lunchtime reports that the stock market had suffered its biggest fall in living memory. To the delight of his supporters, he contrasted the effect of the television cameras switching from the City — "where they are gambling with the wealth of the nation" — to the Labour conference — "where we represent the people who create the wealth of the nation."

Mr Benn took up Mr Foot's challenge over the status of MPs when insisting that there must be unity between the annual conference and the Parliamentary Labour Party.

Turning to the Opposition leader, he commented: "I say to Michael we don't want puppets."

That is the Labour leader's description of the role of MPs if they should be tied to conference decisions.

Mr Peter Shore, Labour's shadow chancellor, described the present economic situation as "very dangerous."

Not only had the British people lost confidence in the Government, but industry and the City had withdrawn their confidence as well.

Mr Shore declared: "That is why the collapse is taking place in the pound and on the Stock Exchange. That is happening now.

"When they have lost faith in Mrs Thatcher, surely, at last our chance has come."

Mr Shore expressed concern about the implications of the conference's decision to join with the TUC in declaring opposition to incomes policies.

Mr David Basnett, general secretary of the General and Municipal Workers Union, warned that confrontation between the Government and the trade unions would take place if the Government pursued its policies.

He said: "The Tories are beckoning us into conflict. They would sooner fight with us than with the problems of this economy. If they are determined to impose a 4 per cent pay limit on public sector workers, they are seeking confrontation.

"If they go ahead to hive off parts of nationalised industries, it is they who are seeking confrontation."

Terry Kirk

WHITHER THE LEFT: a pensive moment on the platform yesterday for Judith Hart, Michael Foot and Ron Hayward

Councils urged to defy spending restrictions

BY IVOR OWEN

DELEGATES CALLED upon all sections of the Labour movement to back a campaign of mass defiance against Government plans to restrict the power of local authorities to increase their rates.

The reservations, advocated by the moderates on the NEC, were swept aside. An emergency resolution, moved by Mr Ted Knight, militant leader of Lambeth council, was carried by an overwhelming majority.

It urged Labour-controlled councils to refuse to make the cuts in services needed to "balance the books," and appealed to trade unions to "use their strength" to defend the town hall rebels.

Miss Joan Maynard, the left-wing Labour MP for Sheffield Brightside, assured delegates that the NEC would do its best to prevent Labour councillors who defied the law suffering the "sell out" inflicted on the Clay Cross councillors when they blocked council house rent increases imposed by the Heath Government.

"We shall rescind surcharges and consequent disqualification which may be imposed for action within the competence of local government," she promised.

But Miss Maynard acknowledged the difficulties in securing the implementation of such a pledge when she sought to give a commitment "on behalf of the next Labour government."

Underlining the uncertainties still remaining over the extent to which the NEC writ can run, she said: "We shall do our very best to get that commitment in the manifesto."

No such hesitation appeared in a NEC statement—also overwhelmingly approved — which looked to the next Labour government to take retrospective action to remove any penalties imposed on Labour councillors.

Sanctions such as surcharges and disqualification would be removed "for all action" other than gross financial negligence, corruption or acts clearly in conflict with the law.

Miss Maynard admitted that the effects of the Clay Cross episode — "when we let our own people down" — were still boomeranging around the country.

"That is why our comrades in local government do not feel very confident in doing certain things. They are not sure we will back them if they are surcharged," she said.

Mr Knight contended that the legislation to be introduced by the Government in November was designed to destroy the programmes of housing, education and social welfare which Labour councils had built up over generations.

In taking powers to determine the expenditure ceiling for every local authority in the country, Mr Michael Heseltine, the Environmental Secretary, hoped to "protect his friends in industry and commerce" from meeting their full responsibility for the cost of local services.

Mr Knight maintained that it was not enough for delegates merely to condemn Mr Heseltine and then wait for the next general election.

"I think we must say to Heseltine and to this Tory Government that Labour councils are not going to balance the books at the expense of workers' jobs, social services, education and the rest," he added.

Mr Knight argued that conference must face the question whether the Labour movement would have to say that "Heseltine and Thatcher's law" was too high a price to pay.

With some 250,000 jobs likely to be lost if the Government's expenditure limits were observed, he appealed to "comrades in the trade unions to stand firm and back the councils which decide to fight Heseltine."

Mr Gerald Kaufman, Labour's environment spokesman in the Commons, accused Mr Heseltine of seeking to set himself up as the commissar of local government.

He promised that Labour MPs would fight the legislation curbing the revenue-raising powers of local authorities "with every weapon open to us within the law."

Mr Robin Cook, MP for Edinburgh Central and a spokesman on Treasury affairs, said the Government had used its expenditure axe against the Lothian council in a trial run before subjecting the rest of the country to the same treatment.

The cuts imposed had not been to eliminate waste or curb bureaucracy but to make the poor accept sacrifices in order to make more money available for further tax cuts for the wealthiest members of the community.

● Nalgo, the white-collar local government union, which is not affiliated to the party, later issued a statement attacking Mr Heseltine's plans for referendums before increases in local spending are enforced.

NEC election results expected to show gains for right

BY CHRISTIAN TYLER, LABOUR EDITOR

AT RISK: Dix

AN IMPORTANT shift in the balance of political power on the NEC is expected to materialise when results of the annual elections are declared today at the conference.

After the votes were cast last night, both left and right were forecasting that at least three seats could go to the right, mainly as a result of a new mandate in the big engineering workers' delegation.

A change of this order would greatly strengthen the hand of the moderates who, on Sunday, with the help of some Tribunite MPs, narrowly staved off Mr Tony Benn's bid for the deputy leadership.

The most vulnerable sitting executive members were thought to be Mr Norman Atkinson, party treasurer, Mr Charlie Kelly of UCATT in the trade union division, and Mrs Margaret Beckett in the women's division.

They are on a target list of seven names drawn up by a group of right-wing union leaders before the conference. But the coalition is unlikely to have been strong enough to make a clean sweep.

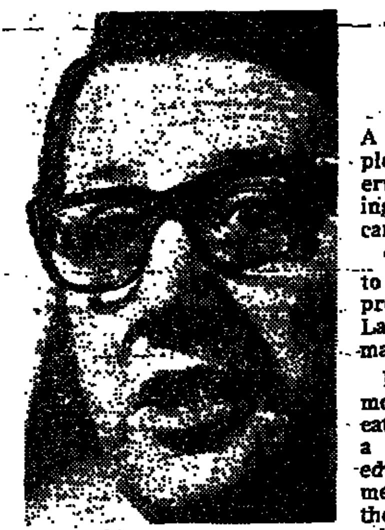
Also vulnerable is the union representative Mr Bernard Dix of the public employees and Mrs Joan Maynard or Mrs Renee Short in the women's section. But the miners' representative, Mr. Eric Clarke—another name on the so-called hit list—will probably survive.

Constituency party anger at the abstentions by the left-wing MPs Mr Neil Kinnock and Miss Joan Lestor in the deputy leadership ballot could mean a sizeable drop in their support in the PLP division.

The Benn-Healey contest has divided the left majority on the 29-strong executive. It has also put new determination in the trade union right to end the long left-wing domination of the party's governing body.

The main instrument for the change is the engineering section of the Amalgamated Union of Engineering Workers (AUEW) which has altered its rules, partly to ensure that its conference delegations support the entire right-wing slate this year.

Last year, the AUEW leadership was unexpectedly defeated by the union delegation and over 900,000 votes (875,000 this year) went to the left.



AT RISK: Atkinson

Left-wing groups determined to keep the pressure on

BY ELINOR GOODMAN

LABOUR'S left-wing pressure groups yesterday pledged to continue their long-term fight for control of the party and in the short term to seek revenge on those left-wing MPs who, by abstaining in Sunday's deputy leadership contest, ensured Mr Healey's victory.

A daily briefing sheet, the Socialist Organiser, distributed by a Trotskyist group, yesterday called on delegates to "ditch the abstainers." They want to deny support in today's elections for Labour's NEC to those candidates who abstained in the deputy leadership contest.

The group named Mr Niel Kinnock, who last year polled very well in the election for the constituency section of the NEC—Miss Joan Lestor and Dame Judith Hart.

The briefing sheet, like several otherse handed out yesterday, also made it clear that, in p ublic at least, the left is determined to claim Sunday's result as a moral victory and a justification for continuing the fight.

The right-wing, they said, had failed. The question now was how to building on the "49.5 per cent vote for left-wing policies." The basic target, they argued, must be to organise the left in the trade unions where Mr Benn's support was relatively weak.

Another far-left briefing sheet, the Socialist Newsletter, made much the same point, claiming that but for the "shameful abstention of Silkin, Kinnock and Lestor and other members of the Tribune group," Mr Benn would have won. "Everyone is asking—will the fight go on? The answer has to be yes."

Mr Healey, they insisted, was a "self-confessed enemy of entire areas of party policy." His 0.8 per cent margin over Mr Benn was no mandate to "overturn party democracy and policy."

Terry Kirk

ELECTION BLUES: Narrowest of winners Denis Healey with left-threatened left-winger Neil Kinnock, under attack for abstaining in Sunday's deputy leadership poll.

The Rank and File Mobilising Committee for Labour Democracy, one of the organisations most closely involved with the Benn campaign, was slightly more circumspect in its public statements. But in private, most members of Mr Benn's campaign team were arguing that he should stand again.

The left is determined to claim Sunday's result as a moral victory and a justification for continuing the fight.

The only question seemed to be the timing of announcing a new challenge. No announcements are likely to be made for several months. If Mr Benn does how to pressure from his supporters to stand again, he may well justify his challenge on the grounds that either the shadow cabinet was again failing to carry out party policy or that further defections to the SDP had invalidated Sunday's result.

A more immediate indication of Mr Benn's tactics is likely to come next month when, after consultation with his supporters, he announces whether he is prepared to stand for the shadow cabinet.

Yesterday the mobilising committee produced a list of the members of the NEC who at Sunday's meeting of the executive failed to support the left's proposal for abolishing the parliamentary leadership's existing veto on the contents of the manifesto. The list was published without any precise instructions to delegates on what to do with the information it contained.

The clear message was that delegates should think very hard before voting in the elections for the NEC today for those who opposed the left's line on the manifesto.

But there were also further signs yesterday of the way Mr Benn has alienated many left-wing MPs belonging to the Tribune group at Westminster. Six Tribunites who abstained in the final round on Sunday put out a statement claiming that Mr Benn had cost the left the deputy leadership of the party and accusing him of having failed to consult his colleagues in the Tribune group.

The six said they believed the objective of beating Mr Healey could have been achieved by another candidate from the left. The statement was signed by Mr Jeff Rooker, Miss Sheila Wright, Mr Guy Barnett, Mr Andrew Bennett, Mr Robert Kilroy-Silk, and Mr Martin O'Neill.

Thirteen other Tribunites, including Mr Silkin and his shadow cabinet colleague Mr Stan Orme, were also said to support the principle of the statement.

Other members of the Tribune group were planning a new move for today aimed at dissociating themselves from Mr Benn if he tried to stand again.

Given the growing hostility of left-wing MPs, towards him, and the reluctance of some of the unions who supported him to see another contest next year, Mr Benn may decide that in the long-term it would be better for him not to force the issue next year.

But he might now find it very difficult indeed to stop his own bandwagon.

Meanwhile, the Labour Solidarity campaign, the group set up earlier this year to counter the left's gains in the party, yesterday warned its supporters that they must expect "increasing intolerance and hysteria" from the "hard left" in the months ahead.

It accused the "bully boys" of launching a "vicious attack on those whom they seek to blame for defeat."

The campaign, which in the last few months played a major part in Mr Healey's election campaign, also repeated that there would have to be changes in the way future Labour leaders were elected, so as to avoid a repetition of the events of Sunday, "widely recognised as a travesty of democracy."

There must, it said, be a genuine democratisation of the party, giving a real voice to every member.

The campaign stopped short of demanding specifically that the principle of "one member, one vote" should be extended to the trade union section of the electoral college. But it stressed that unions should do everything possible to confine their voting to Labour Party supporters.

Pledge to abolish fee-paying schools

BY JOHN HUNT

A TUC POLICY document pledging a future Labour Government to abolish all fee-paying schools was approved on a card vote.

The card vote was called for to underline the need for the promise to be included in Labour's next general election manifesto.

Delegates also approved a motion from the Socialist Education Association, calling for a comprehensive system of education, training and employment for youngsters between the ages of 16 and 19. Those taking part in these schemes would receive an "adequate minimum wage."

Also approved was a resolution to remove full cost fees imposed on overseas students and one calling for a system of pre-school education to be provided by the state for under-fives.

All the proposals received the backing of Mr Neil Kinnock, MP for Bedwelty, who is the party's spokesman on education.

The TUC document said a Labour Government must immediately terminate all public support for private schools, and, in the longer term, abolish fee-paying, in order to provide an entirely free education service for all.

The initial move of a Labour Government, it said, should be to impose Value Added Tax on private school fees in its first Budget.

A later Education Bill should forbid private schools to charge fees for new admissions.

Mr Kinnock said the resolutions would provide a firm basis to implement party policy on private schools and education for 16 to 19-year-olds.

"There can be no retreat, no deviation, no opting out," he declared.

He said the TUC plan would "realise the decades-old desire of socialists and egalitarians to end the system of purchasing advantage which is the very root of privilege in this country.

"It is not the policy of envy. It is the policy of equality," he added.

Delegates gave a big reception to Mr Stan Bowden, who is Labour candidate in the crucial forthcoming by-election in Croydon North-West. He told them that Labour would restore the education budget, so that Britain would once again be spending more on schools than on armaments.

Nationalisation of banks promised by Hart

FINANCIAL TIMES REPORTER

A PROMISE that the next Labour government would take control of Britain's financial institutions in order to serve the people, was given to the conference by Dame Judith Hart, MP for Lanark, speaking on behalf of the NEC.

The conference was considering a resolution calling for public control of the banks, insurance companies, building societies, major monopolies and private companies. Compensation would be made "based on proven need."

Nevertheless, Mrs Hart asked the movers, Aberdeen South Labour Party, to remit the resolution back to the NEC. She pointed out that the subject was already under discussion within the party.

"We will report to you next year on how we can find a way through some of these problems," she declared.

But the sponsors refused to remit the resolution, and a card vote was held. The result will be declared today.

Moving the resolution, Mr Bob Middleton said there were 3m unemployed, yet the banks and other financial institutions had made huge profits.

Mrs Muriel Turner, of the Association of Scientific, Technical and Managerial Staffs, said that her union, which had a large membership in the finance industries, was strongly opposed to nationalisation, and believed it could lead to large-scale unemployment within those industries.

Changes sought in voting rules

LABOUR'S controversial electoral college—which has just been used to elect Mr Denis Healey deputy leader of the party—is under renewed attack.

Mr Terry Duffy, moderate leader of the powerful Amalgamated Union of Engineering Workers, will make a bid this week to get the conferencet o change the college. He wants MPs to have more say, and is pressing for the parliamentary party to get half the college votes, with the rest shared equally between unions and constituencies.

Unity and the search for the Holy Grail

FRESH FROM his hair's breadth victory in the Labour deputy leadership race, Mr Denis Healey yesterday wound up his opening speech in the economic debate with a rousing call for party unity.

Put the divisions of the last two years behind us, he advised delegates, who listened in respectful silence. Unite and give absolute priority to the task of defeating Mrs Thatcher.

At the end he received a modest but not overly enthusiastic ovation. But within a few minutes, there was a graphic illustration of just how fragile this much-sought-after unity is, rather like the Holy Grail disappearing as soon as the faithful reach out to grasp it.

The earnest bespectacled figure of Mr Ray Apps appeared on the rostrum. What is it about the genteel atmosphere of this regency resort, which produces these harsh doctrinaire men of the far-left.

Mr Apps, a regular performer on thes occasions, declared: "I have listened carefully to the speech of Denis Healey. I found no indication whatsoever that he had learned any of the lessons of the experience of the last Labour Government."

Audrey Wise

Not only had Mr Healey been the first Chancellor to embrace monetarism: he was also guilty of initiating cash limits. As the indictment continued, Mr Healey did his well-known impersonation of the Demon King, raising his eyebrows and grinning ferociously.

With these fraternal matters out of the way, there was a demonstration of what the conference thought of Mr Healey's warning that a future Labour Government would lose credibility if it tried to do too much too soon.

Mrs Audrey Wise, the former Coventry MP, pressed a motion calling for the party to commit itself to a lowering of the retirement age with full pension rights, an immediate 35-hour week without loss of earnings; a ban on systematic overtime, lower interest rates, control of the export of capital; raising consumption by increased wages, pensions, social benefits and public expenditure; selective import controls and extra holidays for all.

Despite the opposition of the NEC, this extravagant shopping-list was overwhelmingly approved.

The big attraction of the debate, however, was the appearance of Mr Tony Benn, the runner-up in the deputy leadership stakes. The roar that greeted him as he rose as the final speaker left no doubt where the sympathies of the majority of constituency delegates lay.

There was an attack on the media, the Common Market, the Stock Exchange, and veiled criticism of right-wing Labour Ministers

Although much of this had been heard before, it was all greeted with rapturous applause from his supporters, and many of them rose to give him a standing ovation as he sat down.

No doubt about it, Mr Benn was the clear victor in this first skirmish with Mr Healey since the fight fort he deputy leadership.

Mr Healey had made the rudimentary error in political tactics of allowing his opponent to have the last word. A dangerous thing to do, particularly when your enemy is a wily operator like Mr Benn.

John Hunt

TECHNOLOGY

EDITED BY ALAN CANE.

How Siemens makes consumer durables

BY GEOFFREY CHARLISH

BOSCH-SIEMENS Hausgerate, with a daily output of 2,800 washing machines (it is Europe's third biggest manufacturer) is progressively applying computer - aided manufacturing (CAM) techniques to its big West Berlin plant.

Reasonably enough, Siemens uses its own computer systems—the same hardware and software deployed so successfully by the group's CAM team under Edmund Doetsch in all of Germany's car plants except Ford.

The company is particularly strong in Daimler Benz and in the UK British Leyland is believed to be taking an interest.

Elsewhere in European industry, Doetsch similarly plans to equip 25 other plants in the coming year.

The washing machine plant and 16 others in West Berlin, making products ranging from fluorescent tubes to power station generators, are located in a district of West Berlin named, aptly enough, Siemenstadt.

Siemenstadt consists of about four square miles of residential, manufacturing and recreational areas for more than 27,000 people. Much of this workforce is Turkish. West Berlin now contains 100,000 Turks making *it, according to one tourist* guide, "the fourth largest Turkish city."

The Bosch washing machine plant is something of a showpiece for the group and is the most advanced of the 17 Siemens factories in West Berlin in terms of computer-aided manufacturing. It has seven production lines 150 metres long, each giving birth to a fully packaged machine every couple of minutes.

The materials flow and stock control functions are under computer control and next year it is planned to bring such control right down to individual machine level.

From the point of view of *supplying outside companies* with similar systems, Siemens, although not perhaps regarded as a computer major, has the vital advantage of extensive manufacturing experience of many kinds.

The computer giants, on the other hand, have to attack the market from the position of "pure computing," usually with no in-house manufacturing experience beyond electronics.

'High bay' storage

The Bosch operation is essentially one of assembly and some 25 railway truck loads, or their lorry equivalent, of externally manufactured items enter the plant daily.

All but a few per cent are delivered in European standard pallets and this has enabled the company to use a "high bay" storage and retrieval system.

There are seven bays each 30 metres tall and 63 metres long, connected to goods inwards by a dual conveyor system. Some 13,000 pallet storage locations are provided.

Pallets are extracted and taken by fork lift trucks to the production lines where they are stored on overhead line-side racks ready for breaking down and use on assembly.

The entire operation is computer aided with the aim of solving the age-old problem of any assembly production line—making sure that no part of it runs out of components.

At goods inwards details from suppliers' delivery documents are keyed into a stock control and flow *computer* which performs autonomously but also communicates with a higher level machine.

Other such autonomous systems are, or will be so connected in due course dealing for example with machine and operator activity and ultimately providing wider overall control.

After goods inwards inspection has cleared each delivery, bar code cards are attached to each pallet and will remain with it until it is emptied on the line.

The card in wand-read into a terminal at the high bay store control room and the computer allocates a storage location—but only after the pallet cage dimensions have been automatically checked, obviating jam-ups in the picking system.

A further VDU terminal in the high bay office deals with demands from the line. *Requests for parts come in on a* pneumatic tube system from several line-side locations. The required pallets are queued on the VDU screen, the system choosing pallets on a first in first out basis.

They are then picked by the high bay electro-mechanical system (via a Siemens controller) and delivered by fork lift trucks to the line. A further terminal deals with un-palleted materials.

The *system* uses a pair of the *company's* R20 process computers one of which is in a cold standby mode to improve reliability.

The overall idea of the Siemens computer group working on these projects is shown on the diagram and involves on-line connection of the six major areas of a plant to subsystem computers, in turn connected to a planning level mainframe.

In future systems, the company will also be able to offer some of the productive approaches and equipment now running in the West German car industry.

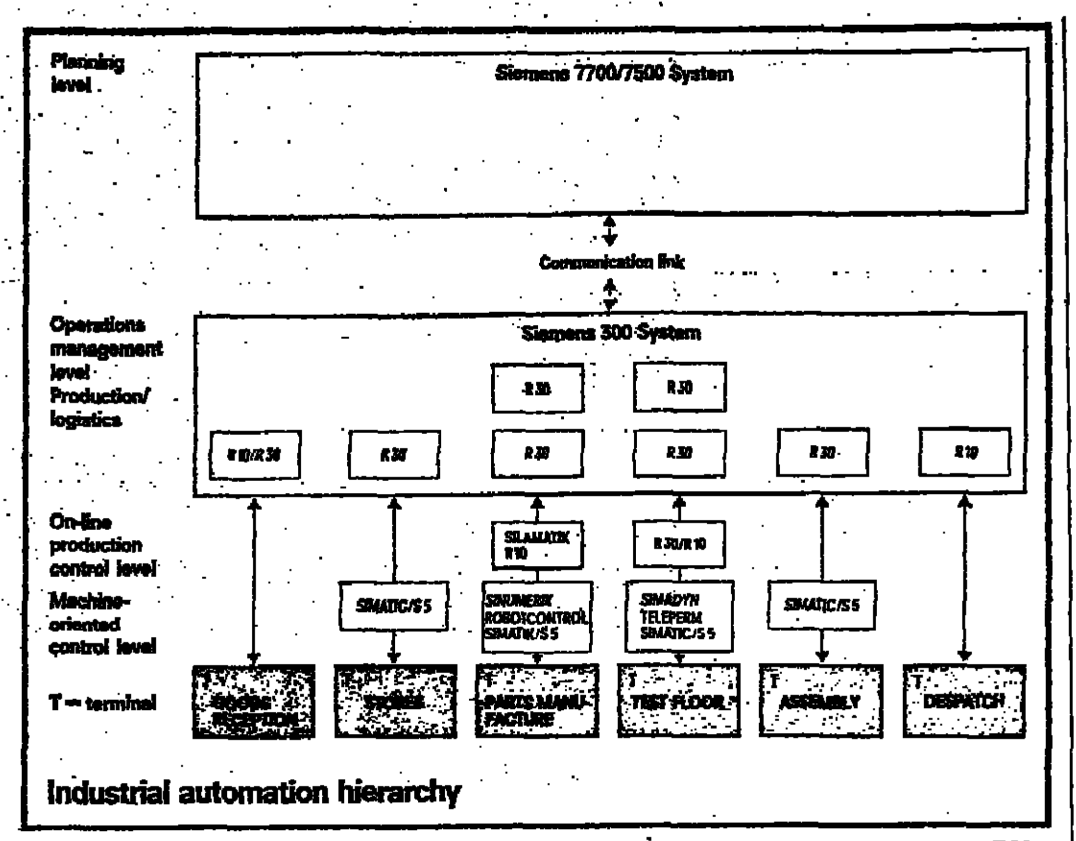
For example, there is the *problem of the electrical* variations needed within one model to suit the world's export markets. Some 200 are called for at Bosch and the car makers have similar difficulties.

One answer is an infra-red hand-held terminal that can be carried around by an electrical *installer or inspector* as he works or makes his checks.

It is being used in conjunction with a passive microwave vehicle identity plate that is scanned by a line-side transmitter/receiver at the workstation. These units can be covered in dirt or paint but will still tell the operator what model or variant has arrived. It employs a digital numerical display.

The inspector or assembler keys this number into his hand-held unit and points it at an associated infra-red transmitter/receiver unit connected to the production computer. According to the day's manufacturing program, the computer sends back a message that tells the operator what electrical options are to be checked (or installed), what colour the vehicle is to be painted, or any other similar data.

In this way much more variance of production can be accommodated cost effectively and conveniently while more reliable products are obtained.



The Siemens concept of overall plant control using a number of autonomous subsystems (R30 or R20 computers) talkin g to a planning computer

Alarm that uses the telephone

EARLIER THIS year the NCB Pension Funds invested £300,000 in Tunstall Telecom in Doncaster taking a 26 per cent share in the company. Tunstall is the leading manufacturer of alarm systems used by local authorities in sheltered housing *schemes for the elderly*.

Though there are more than 20 other manufacturers spread through the country, Tunstall is estimated to have about 50 per cent of the market. This year the company has won £2m-worth of orders, despite public spending restraints.

The reason the NCB Pension Funds has added Tunstall Telecom to its list of investments—which are presently valued at about £2bn—is that the market for Tunstall's product is growing, it is in an area of advanced technology and Tunstall can create employment in an area where in an area where jobs are badly needed.

Emergency

Tunstall makes an emergency communications system which can link individual homes to a central station controlled by a warden. In the event of an emergency, sensors fitted around the dwelling can be activated, alerting the warden.

The Piper system is unusual in that as well as sounding the alarm it can be connected into the telephone network so that the warden can talk to anyone linked to the system. As it is designed to connect to the public telephone network, distance is no obstacle.

Sensors such as smoke detectors, burglar alarms, a personal radio trigger—useful if the occupant is in a wheelchair—and touch strips located near the floor or on the wall can be connected and monitored.

In today's society, local authorities find themselves in a Catch 22 situation. On the one hand they are required to *cut public spending, while on* the other hand, greater demand is placed on them to provide better social services, particularly for the elderly.

Like many European countries, Britain has a large and growing number of elderly people. Nearly 20 per cent of the population — about 10m people — are of retirement age.

Over the years some local authorities have built up sheltered housing schemes under the supervision of a warden.

This allows the elderly to maintain their independence and privacy in the knowledge that there is someone to turn to in case of accident.

But admirable as such *schemes are, there are* not enough of them. Only about 5 per cent of those at risk are able to obtain homes with these facilities.

Mr Mike Dawson, managing director of Tunstall Telecom, believes that there is a large untapped market for a sophisticated emergency communications system which can be installed in private homes outside local authority schemes.

By late 1982, he hopes to offer a system which can be linked into private dwellings, connected to various local control centres staffed by Tunstall Telecom employees. A conservative estimate of the potential market is about £30m.

Mr Dawson is cautious about the market because there is no other company presently looking at the private sector and he fears, large security companies, which already have centres connected to private burglar alarm systems, could become interested in the market.

Tunstall is also looking to overseas markets and hopes to *sell systems to Europe. It sees* a potentially large market in countries such as the Netherlands and will be entering that market in about 18 months' time.

It is presently negotiating with European telecommunications authorities to allow the Piper system to be connected into overseas telephone networks.

ELAINE WILLIAMS

..POINTERS..

Printed label system for the busy chemist

BUSY CHEMISTS may like to know that according to Microscript help is at hand. The company has developed a pharmacy label printer which can produce printed labels for up to 1,500 drugs and preparations with any combination up to 360 dosage directions.

Basic requirements are an Apple computer and video monitor. The prescription is put into the computer using codes for drug, dosage and the patient's name.

The labeller searches to find the proprietary or generic drug name, and dosage directions.

The text is word processed into a composite message and displayed on the screen as a facsimile of the label. If satisfactory, the label can then be printed on the pharmacist's personalised label.

Allan Wainwright, marketing director of Microscript, Pavilion Parade, Wood Lane, London (01-743 9000), says that the labeller has been tested at two chemists shops in the last year and can be installed and operational within a few days of ordering.

Single board micro for 6809 and multibus users...

BLEASEDALE COMPUTER Systems has developed a single board computer based on the Motorola 6809 microprocessor chip and the Intel Multibus.

The idea is that users of the 6809, a comparatively sophisticated eight bit microcomputer, can have access to the 150 or so Multibus modules now available.

Alternatively, existing users of multibus modules can use the 6809.

The device has been designed for use in process control and in instrumentation. More from Bleasdale on 01-828 6661.

...and stationery for small machines

ALSO FOR the microcomputer user, Transform, a company specialising in forms management is offering personalised stationery for microcomputers.

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More on 01-640 6831.

Northern Telecom's digital PABX for large companies

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The PABX uses digital multiplex switching

Torton's new box trailers

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Mixed American offerings

FILM AND VIDEO

BY JOHN CHITTOCK

SINCE the early 1960s, the rising activity in sponsored films has led to a vast accumulation of *cinematic* material covering almost any subject under the sun.

There are films on share investment, what to do if attacked by a rapist, what to wear for a job interview, what to do if interrogated by enemy forces (this on restricted availability), even how to double your company profits in one year. The theme of survival is inescapable, although other themes dominate as well—including preparing for retirement, old age, and even death.

The diligent film or video viewer thus has an embarrassment of riches available with which to prepare himself for a better (or worse) life ahead. In current releases, sales and management training carries the day—as with a number of new releases from Video Arts, such as *So You Want to be a Success at Selling?* and *Meetings, There Must be a Better Way.*

Finding it impossible to keep up with all of these screenings, and taking deeper refuge in my videocassette machine to use my time more efficiently, the first offering brought a ray of hope. Titled *The Invisible Enemy*, this is an American import about time management. It comes from American Salesmasters (which now has a UK office) as part of a subscription service where customers receive films, videocassettes and/or audio-cassettes.

The visual programmes use a style that European managers have come to associate with the worst of American training films — the lecture, delivered with the infallibility of a chosen missionary. It is difficult for an Englishman not to feel prejudiced, especially when the catalogue also reveals titles like *As a Man Thinketh* and *Twenty Minutes that can Change Your Life.*

None the less, in my sampling of *The Invisible Enemy* I have to confess — reluctantly — that content does make sense, and the American personality can at its best wield a certain charm. But I was too hard-pressed to learn the entire lesson in saving time, and used my VCR machine to do some rapid time-saving on the fast forward button.

In the U.S., some of these programmes are now available on video discs, and used in the right environment (viz with committed viewers who have allocated the time to learn) I am sure they will be very successful.

Yet the outstanding quality of film as a training aid has always been its ability to involve the audience emotionally; to bring about a subtle yet cogent understanding of the issues which govern the facts. This is film at its most potent, unchallenged by any other communications medium.

It therefore came as an even bigger surprise to your bigoted English reviewer to see last week three other American imports which display these very same rare qualities. They are from McGraw-Hill (available in the UK through Training Films International) and rate as among the best American training films I have ever seen. All are sales training subjects — *Probing for the Sale, The Competitive Edge* and *Selling to Tough Customers.*

Their success is due to those irreplaceable qualities in any good film — first-rate scripting and dialogue, superb acting (and characterisation) and professionalism in all craft departments involved in getting it on to the screen. The films have a polish equal to U.S. made-for-TV movies, but have travelled across the Atlantic much better —in particular *Selling to Tough Customers.*

This film could only be American because it uses, as a cinematic metaphor, a nicely over-played interrogation of four "hoods" by a group of shirt-sleeved cops. One of the gang in the "*line-up*" is aggressive, another a know-all, the third indecisive, the fourth indifferent. Salesmen will recognise the types, and the script cleverly, and wittily; applies the lessons of police investigation to selling.

This treatment is exactly in the tradition of the best of British sponsored films, although such polish is seen less often these days in our impoverished industry. One recent exception, released earlier this year but which has only just caught up with me, is the Barclays Bank prize-winner, *The First Day.* This is a straight but good-humoured account of the emotional and practical *traumas that face a new arrival* at university.

Using a fictional story-line to deal with a very real subject, the sheer professionalism of this film makes it all rather unbelievable. But it flows and carries the audience with it, so that students (and parents) will gain an insight into what to expect—as well as receiving a subtly-packaged message about the usefulness of a bank account at university.

Other films I have seen in recent weeks generally fail to keep up such high standards, confirming my belief that the medium is following the decline of almost everything else in contemporary society.

The British Insurance Association has made a great, and mostly successful, effort to remake their road safety classic (*Six Candles*) in a new release called *Candles for Katie*. It is well produced, but the story line of husband, wife and forthcoming birthday party for young daughter Katie is almost too predictable, except that the member of the family who gets killed at the end is not the one we all expect.

John Cleese, the most exposed face in British industrial films, is to be seen in a new release from International Factors "designed to dispel some of the mysteries of factoring." It does indeed succeed in doing that, providing for me at least a clear explanation of the service that will look after a company's invoicing and cash-flow problems. But the success of this film is wholly due to the cool journalistic style of James Bellini, the introducer, and one almost begins to feel sorry for John Cleese being dragged into yet another sponsored film to provide light relief.

Most if not all of recent sponsored films are also being made available on videocassettes, and as this medium makes new audience groups accessible there is hope for a new type of sponsorship. The sales training and company promotional films will still proliferate, but we may also see more films aimed at consumers and the general public.

For example, Marks & Spencer has made a staff video programme on how to deal with muggers; it is only a short step to subjects like this becoming best-sellers with home video users. Our survival, our health and wealth, our pleasure and our education—if it moves, industry will shoot it.

RACING

BY DOMINIC WIGAN

Shergar passes the finishing line

AS HAD been anticipated, Shergar is now a confirmed non-runner for the Prix de L'Arc de Triomphe for which he had been quoted at 4-1 with a run by William Hill. The Aga Khan's great colt, arguably the easiest of post war Derby winners, will not run again.

Eighteen fillies face this morning's final declaration for tomorrow's top juvenile test, the Group One William Hill Cheveley Park Stakes, in which William Hastings-Bass is likely to be doubly represented.

The young Newmarket trainer is to saddle Corley Moor (the probable mount of Bruce Raymond) and Glancing, provided he is satisfied with her well being. The Chantilly winner had a worrying blood count last week.

Lester Piggott, who partnered Glancing to her French hat-trick, has chosen to ride the filly in preference to On The House, trained by Harry Wragg. On The House gave him a disappointing ride in the Virginia Water Stakes.

Steve Cauthen will ride the hat-trick seeking Wragg filly because the leading jockey now most often associated with that trainer, Pat Edderry, will be required for Vincent O'Brien's Moyglare Stud Stakes winner, Woodstream.

It was at the Curragh on Irish Cambridgeshire day that Woodstream was awarded that £17,000 Group Two event after Sweet Side, a 50-1 chance, had come off a true line.

Woodstream heads the sponsors list at 9.4 and is followed by On The House (3-1), Glancing (7-2 with a run), Hollow Heart and Plum Bold (both 8-1), Admiral's Princess and Princess Seal (at 12-1) and Current Pattie and Welsh Partner (*14-1*).

Turning to Goodwood today, the best value bet may be had on the Welsh Saint juvenile, Blakesware Saint.

Prominent in maiden races at Kempton and Newmarket, in May, Blakesware Saint was then off the course for a long while before finishing a close third behind the Seven Barrows representative, Bold Saracen at Bath recently.

GOODWOOD

2.00—Blakeswear Saint***
2.30—Old Country**
3.00—Lombardi*

TELEVISION

Chris Dunkley: Tonight's Choice

The evening is dominated by two documentaries, the first about the state of the pawnbroking business and the second about the state of John Zachary De Lorean's business.

The number of pawnbrokers in Britain has fallen from 5,000 to fewer than 200, but Harry Hastings' programme, **Pop Goes the Weasel**, on BBC 1, suggests that a remarkable revival is occurring. Though traditional pawnbrokers survive, and presenter Kenneth Hudson visits an old-fashioned Glasgow establishment with private cubicles at the top of a dark stairway, and discovers how Suttons of Victoria Street in London trained their staff to deal discreetly with the rich and famous, he also shows how the new-style pawnshop looks and feels more like a bank.

The popular image of the pawnbroker may be unchanged, but it seems that all sorts of people are discovering that pawnbroking is a convenient way of obtaining short-term credit.

ITV's programme was made by Don Pennebaker, one of America's best documentary film directors. He tries to discover the truth about the extraordinary project launched by **De Lorean**, the former whiz-kid executive from General Motors, who persuaded the British Government to bankroll his scheme to build luxury sportscars in Northern Ireland. They are now rolling (well, all right, edging) off the production line, mostly for export to the U.S. at £14,000 a time, and Pennebaker tries to tell us whether, as taxpayers, we should cheer or boo.

BBC 1

6.40-7.55 am Open University (Ultra High Frequency only). 9.35 For Schools, Colleges. 12.30 News After Noon. 12.57 Regional News for England (except London). London and South East only; Financial Report; News Headlines. 1.00 Pebble Mill At One. 1.45 Heads and Tails. 2.00 You and Me. 2.14-3.00 For Schools, Colleges. 3.25 O Dro I Dro. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Think! Backwards. 4.35 Play Away. 5.00 John Craven's Newsround. 5.10 Screen Test. 5.35 Willo The Wisp.

5.40 News.
6.00 Nationwide (London and South East only).
6.25 Nationwide.
6.50 Angels.
7.15 Wildlife On One.
7.40 The Rockford Files.
8.30 Only Fools and Horses.
9.00 News.
9.25 Pop Goes The Weasel.
10.15 Ice Skating.
10.53 News Headlines.
10.55 "The Treachery Game."

BBC 1 VARIATIONS—Cymru/Wales: 9.10-9.30 am I Ysgolion: Daearyddiaeth. 12.57-1.00 pm News of Wales. 5.10-5.36 Bobol Bach. 6.00-6.25 Wales Today. 6.50 Heddiw. 7.15 Angels. 7.40-8.30 Berlin Inside Out. 12.10 am News, Weather for Wales.

Scotland—11.17-11.37 am For Schools. 12.55-1.00 pm The Scottish News. 6.00-6.25 Reporting Scotland. 12.10 am News, Weather for Scotland.

Northern Ireland—12.57-1.00 pm Northern Ireland News. 3.53-3.55 Northern Ireland News. 6.00-6.25 Scene Around Six. 12.10 am News.

England—6.00-6.25 Regional News Magazines.

BBC 2

6.40-7.55 am Open University.
9.30 Labour Party Conference.
11.00 Play School.
11.25-12.30 and 2.00-4.50 pm Labour Party Conference.
4.50 Open University.
6.55 MacLeod's Russia.
7.20 News Summary.
7.25 My Music.
7.50 Six More English Towns.
†8.30 Burt Lancaster in "Birdman of Alcatraz."
10.55 Newsnight.
†11.50-12.15 am Laurel & Hardy.

LONDON

9.35 am Schools Programmes. 12.00 Rod, Jane and Freddy. 12.10 pm Pipkins. 12.30 The Sullivans. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Armchair Thriller. 2.00 The Labour Party Conference. 3.45 Cabbages and Kings. 4.15 Bugs Bunny. 4.20 Get It Together. 4.45 Vice Versa. 5.15 pm Emmerdale Farm.

5.45 News.
6.00 Thames News with Andrew Gardner and Rita Carter.
6.25 Help!
6.35 *Crossroads.*
7.00 Give Us A Clue, with Michael Aspel, Una Stubbs and Lionel Blair.
7.30 Keep It In The Family.
8.00 The Morecambe and Wise Show, with guest stars Peter Bowles, Suzanne Danielle, Faith Brown and April Walker.
8.30 The Flame Trees Of Thika.
9.30 Frankie Howerd Strikes Again.
10.00 News.
10.30 De Lorean.
11.30 City Of Angels.
12.25 am Close: Sit Up And Listen, with Shirley Williams.

† Indicates programme in black and white

All IBA Regions as London except at the following times:

ANGLIA

12.30 pm Gardening Today. 1.20 Anglia News. 6.00 About Anglia. 11.30 Wheels. 12.00 Anglia Late News. 12.05 am Jazz Series (The Ronnie Scott Quartet, along with Georgie Fame and The Blue Flames). 12.35 Your Music at Night.

ATV

12.30 pm Gardening Today. 1.20 ATV News. 5.15 Give Us a Clue. 6.00 ATV News. 6.05 *Crossroads.* 6.30 ATV Today. 7.00 Emmerdale Farm. 11.30 *Wheels.* 12.00 ATV News. 12.05 am *Something Different.*

BORDER

1.20 pm Border News. 5.15 Bless Me, Father. 6.00 Lookaround Tuesday. 7.00 Emmerdale Farm. 11.30 Border News Summary.

CHANNEL

12.30 pm Gardening Today. 1.20 Channel Lunchtime News. What's On Where and Weather. 4.45 Vice Versa. 6.00 Channel Report. 10.28 Channel Late News. 11.30 Wheels. 12.00 *Commentaires et Previsions Meteorologiques.*

GRAMPIAN

9.30 am First Thing. 12.30 pm Gardening Today. 1.20 North News. 6.00 North Tonight. 11.30 Wheels. 12.00 In Concert. 12.30 am North Headlines.

GRANADA

1.20 pm Granada Reports. 3.45 The Spinners . . and Food and Drink. 5.15 Diff'rent Strokes. 6.00 Granada Reports. 6.25 This Is Your Right. 7.00 Emmerdale Farm. 11.30 The Odd Couple. 12.00 Wheels.

HTV

12.30 pm Gardening Today. 1.20 HTV News. 5.15 Ask Oscar! 5.20 Crossroads. 6.00 Report West. 6.30 Diff'rent Strokes. 7.00 Emmerdale Farm. 10.28 HTV News. 11.30 Wheels.

HTV Cymru/Wales—As HTV West except: 9.35-9.50 am Am Gymru. 10.15-10.30 Y Byd A'i Bethau. 11.39-11.54 About Wales. 12.00-12.10 Cwadi Cwac A'i Ffrindiau. 4.15-4.45 Camigam. 5.15-5.20 Bugs Bunny. 6.00 Y Dydd. 6.15-6.30 Report Wales. 10.30-11.00 Cyfathrebwyr. 11.00 Jonathan Dimbleby: In Evidence. 11.30-12.00 Benson.

SCOTTISH

12.30 pm Gardening Today. 1.20 News and Road and Weather. 5.15 Traveller's Tales. 5.20 Crossroads. 6.00 Scotland Today. 6.20 Job Spot. 6.30 *What's Your Problem?* 7.00 Bless Me Father. 11.30 Wheels. 12.00 Late Call. 12.05 am *Past Masters.*

SOUTHERN

1.20 pm Southern News. 5.15 Dick Tracy Cartoon. 5.20 Crossroads. 6.00 Day by Day. 7.00 Emmerdale Farm. 11.30 A New Kind of Family.

TYNE TEES

9.25 am The Good Word. 9.30 North East News. 1.20 pm North East News and Lookaround. 5.15 Bless Me Father. 6.00 North East News. 6.02 Crossroads. 6.25 Northern Life. 7.00 Emmerdale Farm. 10.30 North East News. 11.30 Wheels. 12.00 Readers of the Word.

ULSTER

1.20 pm Lunchtime. 4.13 Ulster News. 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Good Evening Ulster. 7.00 Emmerdale Farm. 10.29 Ulster Weather. 11.30 Bedtime.

WESTWARD

12.27 pm Gus Honeybun's Birthdays. 12.30 *Gardening* Today. 1.20 Westward News Headlines. 6.00 Westward Diary. 10.32 *Westward Late News.* 1.30 Wheels. 12.00 Faith for Life. *12.05 am West Country Weather and* Shipping Forecast.

YORKSHIRE

12.30 pm Cabbages and Kings. 1.20 Calendar News. 3.45 Calendar Tuesday. 5.15 *How's Your Father?* 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Emmerdale Farm. 11.30 Wheels.

RADIO

(S) Stereophonic broadcast
‡ Medium Wave

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.00 Andy Peebles. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.30 Steve Wright. 4.30 Peter Powell. 7.00 Susie Barnes with Wheels. 8.00 Richard Skinner. 10.00-12.00 John Peel (S).

VHF Radios 1 and 2: 5.00 am With Radio 2. 8.00 pm Moments Musical (S). 9.00 Marching and Waltzing (S). 9.30 With Radio 2. 10.00 With Radio 1. 12.00-5.00 am With Radio 2.

RADIO 2

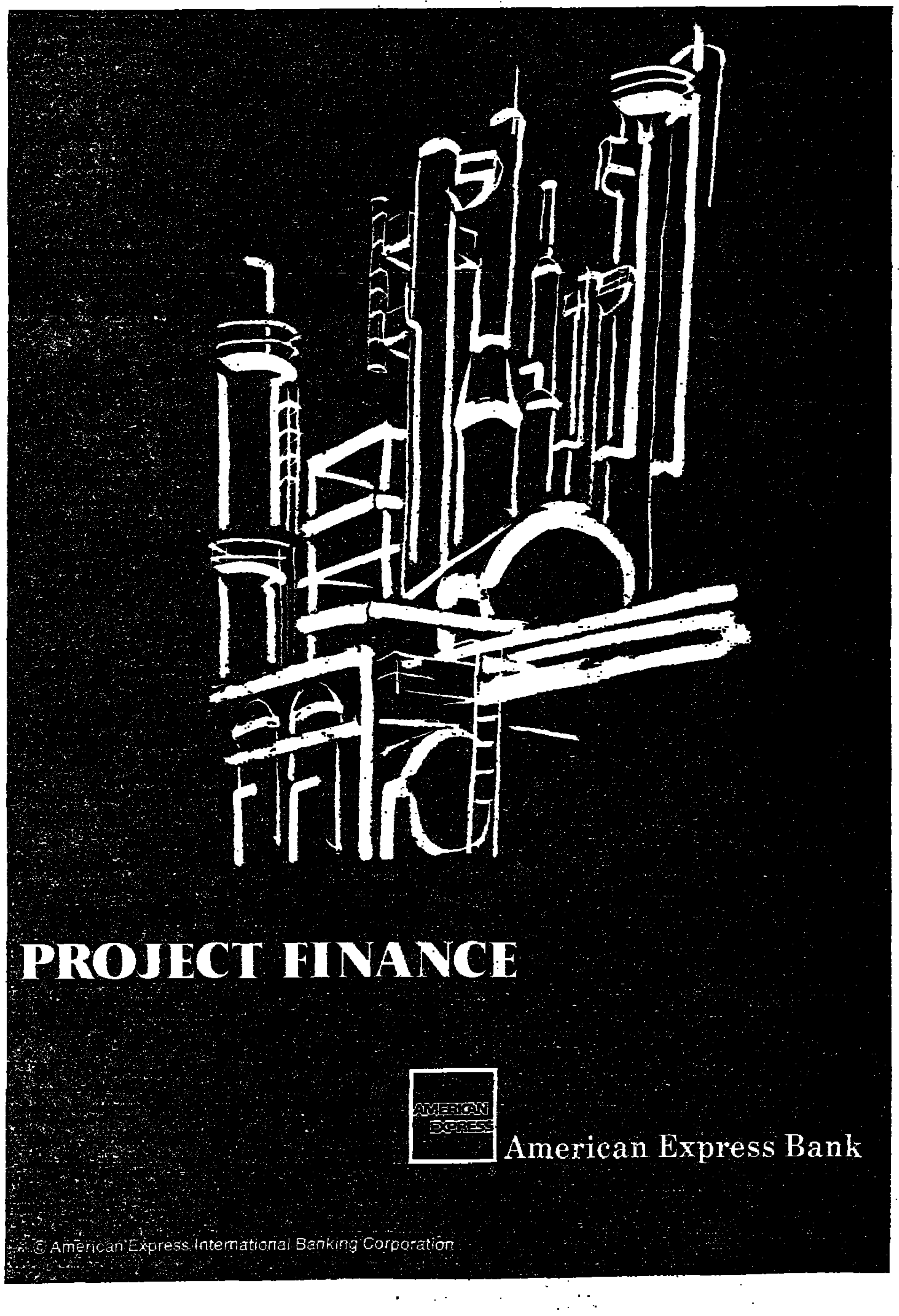
5.00 am Steve Jones (S). 7.30 Terry Wogan (S). 10.00 Jimmy Young (S). 12.00 John Dunn (S). 2.00 Ed Stewart (S). 4.00 David Hamilton (S). 5.45 News: Sport. 6.00 David Symonds with Much More Music. (S). 8.00 European Soccer Special. 9.30 Marching and Waltzing (S) (joining VHF). 10.00 The Arthur Askey Show. 11.00 Brian Matthew with Round Midnight. 1.00 am Truckers' Hour (S). 2.00-5.00 You and the Night and the Music (S).

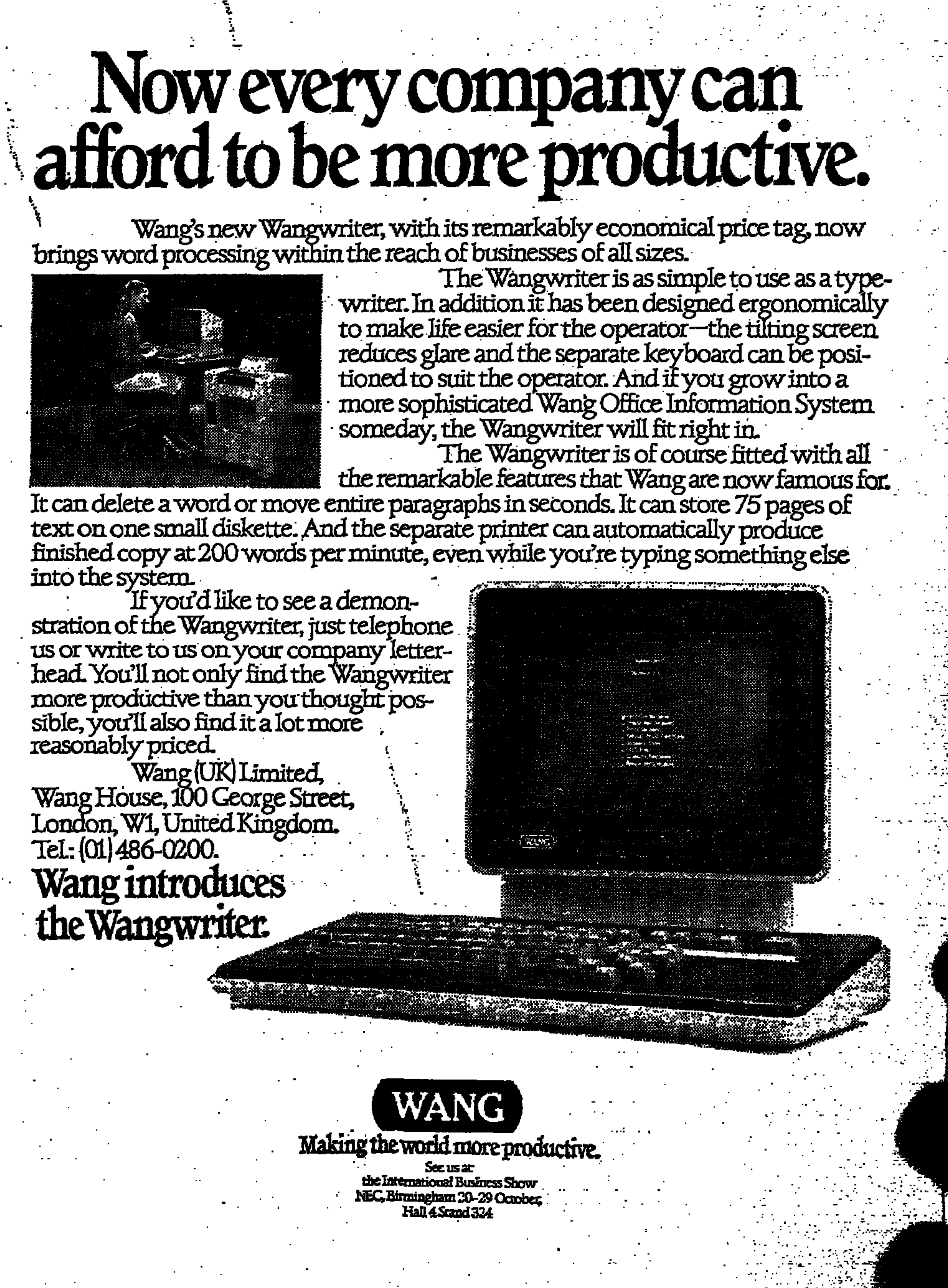
RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S). 8.00 News. 8.05 Morning Concert (continued). 9.00 *News. 9.05 This Week's Composer:* Frank Martin (S). 9.50 Wachet Auf (S). 10.35 Myrha Saxophone Quartet (S). 11.15 Ives and Beethoven Piano Trios (S). 12.15 pm BBC Welsh Symphony Orchestra Concert, part 1 (S). 1.00 News. 1.05 Six *Continents.* 1.25 Concert, part 2 (S). 2.10 Sarah Walker song recital (S). 3.25 Leeds 81 (S). 4.25 Jazz Today (S). 4.55 News. 5.00 Mainly for Pleasure (S). 7.00 Munch and Boulanger: A 1962 Boston Concert conducted by Charles Munch and Nadia Boulanger, part 1: Mozart, Mendelssohn (S). 7.40 Bohemian Paradox. 8.00 Concert, part 2: Lili Boulanger (S). 8.45 Barnes' People (S). 9.05 Oboe and Keyboard Music (S). 9.30 Words, Words, Words (S). 10.00 Music from India (S). 11.00 News. 11.05-11.15 Bozza (S).

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today. 8.45 "Blackheart and White Heart" by H. Rider Haggard. 9.00 News. 9.05 Tuesday Call. 10.00 News. 10.02 *From Our Own Correspondent.* 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Thirty-Minute Theatre. 11.35 Wildlife. 12.00 News. 12.02 pm You and Yours. 12.27 Radio Active (S). 12.55 Weather. Programme News. 1.00 The *World* at One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Lost Horizon (S). 4.00 Places I've Lived, People I've Known. 4.15 On the Injury List. 4.45 Story Time. 5.00 PM: News Magazine. 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News, including Financial Report. 6.30 Top of the Form. 7.00 News. 7.05 *The Archers. 7.20 Medicine Now.* 7.50 The Voice of Meadow Prospect. 8.35 No Minister. 9.05 In Touch. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Joke by Joke . . . by Nat Gubbins (S). 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Ravel: *String Quartet in F.* 12.00 News.





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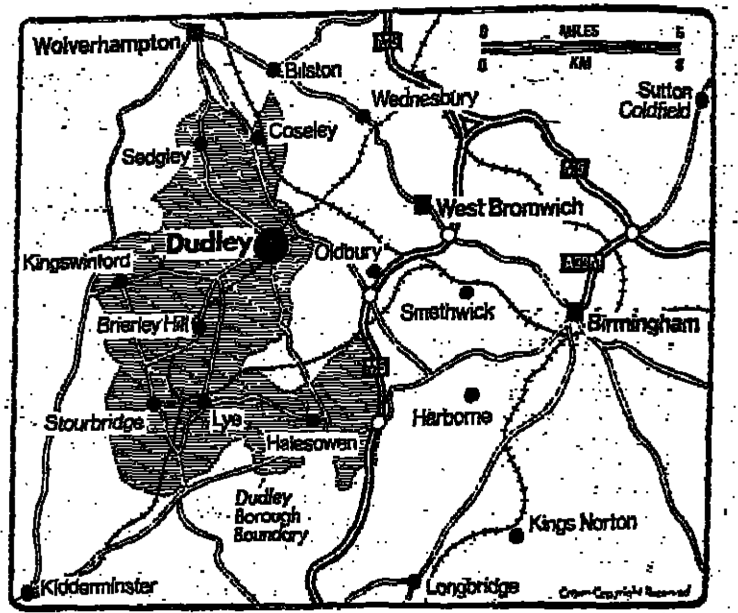
DUDLEY

Industrial stimulus is a key issue in the Black Country's "capital". The borough's enterprise zone is seeking new industries to create jobs and reduce the risk of over-dependence on a few sectors.



Focal point for development

BY LORNE BARLING

WHATEVER the ultimate benefits or problems created by Dudley's new Enterprise Zone, its designation has brought *about a major re-appraisal of* the borough's industrial future and placed Dudley firmly in the forefront of public debate about the decline of manufacturing in the West Midlands.

With unemployment in the area having risen faster than in any other part of the country, and Dudley itself one of the worst hit, there is clearly an urgent need for the Midlands *to be seen in a new perspective.* No longer is it very different from other problem areas of the country.

There is no doubt that the *creation of an enterprise zone* is a very small gesture towards the regeneration of Midlands industry, and at a time of widespread industrial contraction is likely to have little impact, but it may indicate the right direction *for the future.*

Although there has been considerable opposition to the scheme, mainly from small companies surrounding the area which believe they may suffer from unfair competition, many *of those opponents are now prepared* to wait and see if there are any benefits.

Since the terms of operation within the zones were announced by the Secretary for the Environment, Mr Michael *Heseltine, it would appear that* the Government action has been justified in many ways. The rates burden is now the major constraint on Midlands industry, according to the Confederation of British Industry, and a rates *holiday is one of the main* planks of enterprise zone policy.

But the real problem in determining the true value of the Dudley zone is caused by the abnormal economic conditions *in which it has been* launched. Industrial investment, property values, manufacturing output and labour demand are all at unusually low levels, and in many ways those *involved in the zone are making* an act of faith.

It is of course likely that the owners of property within the zone will make profits, as will developers, but they point out that they have shown willingness to take the risk of building new factory space while *thousands of square feet are* lying empty outside the zone. Predictions of premium rents within the zone have so far proved unfounded, according to *local agents, but this could still* happen if demand picks up.

However, the most important aspect of the zone's future is whether it achieves its desired effect of attracting industry from other parts of the country, and from abroad, to bolster the local economy. There are fears *that a high* proportion of the zone companies may eventually be those which have moved across the "border," with little real benefit locally.

In *this* respect, much depends on the image which zones *achieve nationally, and whether* they are promoted effectively abroad at a time when competition for foreign investment, particularly from the United States, is very severe.

The recent announcement *that Herman Smith*, the Dudley-based aerospace and motor components manufacturer, is to set up a joint production company in the zone with Hitco of the U.S., is therefore encouraging. The new concern, with *with initial capital of around* £750,000, will produce advanced composite structures for the aerospace industry and create around 300 jobs by 1985.

The true benefits of operating within a zone, such as those *relating to tax and capital allowances*, have yet to be fully tested by large companies which could stand to make substantial savings on certain operations. Until such a company moves *into the zone, it will be difficult* to determine the real benefits.

However, those promoting the zone believe it should be seen in the context of Dudley's development and the problems it has experienced over the past *decade, during which unemployment* has risen from around 3 per cent to more than 15 per cent, one of the highest figures in the West Midlands.

Historically, Dudley is a notable industrial area and the "capital" of what is known as the Black Country, the region which got its name from extensive coal mining and iron smelting activities which began with the industrial revolution.

The administrative area of Dudley now covers 38 sq m and has a population of around *300,000. Employment is mainly* in metal industries which developed from the original local activities, but now efforts are being made to extend the spread of industry, taking in higher technology and reducing *the risk of over-dependence on* a few sectors.

The borough council is increasingly pre-occupied with the need for industrial stimulus, *and this has been designated as* a "key issue," with increased funds being made available for research and promotion. It is hoped that the enterprise zone will be a focal point for far wider development.

However, Dudley has a legacy of problems, in that local skills tend to be narrow and coal mining has left scars on the *landscape which make new* building projects expensive in some areas. It is therefore vital that the zone be used to attract new industry into the area, and the arrival of at least one large company would be a boost to *confidence*.

Within the council, which is now evenly split between Labour and Conservatives (supported by a small number of Social *Democrats*), there are few divisions about the need to stimulate growth, but the problem is how to achieve it at a time of low investment generally. Around £35,000 was voted last year for promotional purposes, and more is expected to be spent this year.

However, more attention *is* expected to be drawn to Dudley *as a result of national* promotion activities by developers and agents in connection with enterprise zone property. There is expected to be some beneficial spin-off from this, at least in increasing public awareness of Dudley.

It is hoped that the zone will create between 7,000 and 10,000 jobs in Dudley over the next 10 years, compensating for those *which have been lost recently as* a result of some major closures and cutbacks.

Another key project in the area is the proposed Phoenix steel development at the Round Oak Steel Works, which was until earlier this year jointly owned by Tube Investments and *British Steel Corporation, but* has now been taken over by BSC. More than 1,000 jobs have been lost at Round Oak over the past year, and the future of the remaining steel-making plant is now in the balance.

Much of the recent industrial damage has come about through large manufacturing companies rationalising their secondary plants at Dudley, and as one council officer points out, it takes an awful lot of new small companies to compensate for the loss of one big factory.

Nevertheless, efforts are being made by the council to promote small concerns, and as in other areas, special nursery units have been made available for them at relatively low cost. *But the growth of these companies* is inevitably slow, and significant benefits may take years to appear.

Overall, Dudley has an uphill struggle ahead to regenerate local industry, but by being *chosen for an enterprise zone* it has a great opportunity to focus national attention on itself.

The opposition to the zone has been voiced on understandable grounds, but it now seems to have been wisely recognised that it could be an important catalyst. Should the zone eventually create 10,000 new jobs, it would certainly be of more benefit than harm to the rest of industry in Dudley.

Small companies offer best growth prospects

THE RECESSION has brought a series of painful blows to industry in and around Dudley, which has in any event experienced a steady loss of jobs over *the past 10 years. The prospects* of growth now lie with the numerous smaller concerns in the area.

Although almost all these companies have managed to survive a difficult period, often *by making the position clear to* their workers and cutting costs wherever possible, they remain heavily reliant on Midlands industry as suppliers of components and materials such as steel.

About 40 *per cent of* industry in Dudley is concerned with metal production and processing in one form or another, while a further 20 per cent are in other manufacturing, and a high proportion of companies employ less than 100 people.

Much of industry owes its existence to Dudley's traditional activities, namely metal-smelting and coal-mining, but with the demise of these trades there was diversification into *related skills. It then became* the country's components capital — moulding, forging, and casting metals for many purposes, mainly in the vehicle industry.

It has now moved a stage *further and is dominated by* metal working industries, engineering and fabrication. But there are other influences from the past, such as the continued production of bricks, once used in volume for *refactory linings, and glass and* crystal glass manufacture in the Stourbridge and Brierly Hill area.

This long history of industrial change has left Dudley with a somewhat disordered road network, *an extensive but hard-to-maintain* system of canals, and the problem of old mine workings. The local authority therefore has a difficult job on its hands in trying to stimulate industry after so many years *of unplanned development.*

One of the area's most important assets is a high proportion of skilled labour, which comprises more than 40 per cent of the working population of 156,000. Of these, nearly 50,000 *are involved in manufacturing* and about 5,000 in construction. A further 20,000 are employed in transport and distributive trades.

It is a matter of concern, however, that such a high *proportion of skilled workers* are trained in metal and engineering trades, since this does not encourage the growth of the higher technology industries, particularly electronics, so badly needed to *stimulate growth locally.*

The availability of factory premises is not a constraint on growth since more than 2m sq ft of industrial space are now available, and much more within the enterprise zone is now being built. Moreover, much of this space is modern and in a wide range of unit sizes.

It is therefore a priority to attract more industry to make up for the recent closures and *cutbacks, such as the loss of* around 1,000 jobs at the Round Oak steel works, nearly 2,000 at the Marsh and Baxter food plant, which recently closed, and many more redundancies at companies such as BSR, TI Tubes, *the Duport Group and* the BSC Alphasil works, where 650 lost their jobs. The slimming down of BL has also had an effect on the area.

But there are a number of well-established concerns in Dudley, *some with problems,* but many are confident of riding out the recession and ultimately increasing their capacity. Some of the better-known companies in Dudley are Parkinson Cowan (boiler manufacturer), *Alcan, Cooper Industries, CMT* Industrial Supplies.

In glass there are Royal Brierly, Stewart Crystal and Webb Corbett, while brick manufacturers include Gibbons and Ibstock.

One of the constraints on industrial growth, council officers believe, is the competition from assisted areas elsewhere in the new country, since Dudley can offer no financial inducement to new companies *other than in the enterprize* zone.

For this reason, it has been suggested that the Department of Industry should make more use of its discretionary powers under Section 8 of the Industry *Act to make grants to relocating* companies.

On the other hand, the rates levy in Dudley, where the rise in industrial rates was only 20 per cent this year compared with more than 30 per cent in *some West Midlands areas, is* regarded as a potential attraction. For this reason, efforts are being made to restrain further increases as much as possible.

Overall, there is groundswell of opinion that areas such as Dudley, where unemployment is as bad as in many of the worst *black-spots, should no longer be* treated as part of the "prosperous West Midlands" but given special attention before conditions deteriorated further.

The council recently stated in a policy document: "It is foolish to suggest that the future prosperity of Dudley is assured. *There is much in the present* pattern of industries and the

CONTINUED ON NEXT PAGE

Property market depends on zone's success

THE IMPACT of the Dudley enterprise zone will be watched with close interest by property and land owners in the area, many of whom stand to gain or lose considerably if various predictions prove to be correct. However, it seems likely that in the long term the effects will be less drastic than many now believe.

The zone is notably different from those in other parts of the country, since almost all the development land is privately owned. The three largest companies concerned, Round Oak Steel (owned by the British Steel Corporation) Dysons Refactories and M. and W. Grazebrook, own nearly 200 of the 538 acres of land available.

Overall, nearly 20 companies have land on the site, and each is approaching development in its own way. A. and J. Mucklow, a well-known local construction company, was obviously suited to carry out its own development and the first phase of its Enterprise Estate is virtually complete after a fast start.

Other landowners are moving more cautiously, since they do not have development experience and are examining the various options, ranging between financing the construction of new factories (sometimes for their own use) and sale of the land, although this is unlikely at such an uncertain stage.

Probably the most popular option will be to allow the construction of factories on their land, either by developers who will find or provide finance, or by companies wishing to build their own factories. However, those prepared to bet on the success of the zone by funding development will clearly stand to earn greater profits.

This aspect has been of concern to other property owners in the area, and fears were at first rife that values outside the zone would fall as those inside increased, but this has not proved to be the case so far. However, in the longer run there is likely to be a premium for the benefit of paying no rates for 10 years.

In the Dudley area generally, a large volume of industrial space has come on to the market recently, as in the rest of the West Midlands, due to the recession and widespread factory closures. Demand for industrial property is therefore at a fairly low level, although not as low as some had expected, and it is unlikely that premium rents in the zone would be acceptable due to bargain rates outside.

According to Allsop Sellers, one of Dudley's most active agents, fairly modern factory premises of 20,000 sq ft and upwards are now available in Dudley at round £1.60 a sq ft, compared with £1.80 a few months ago. Units of below 5,000 sq ft, of the same age, are being let at around £2 a sq ft.

Against this, the first Mucklows units in the zone (of 2,433 sq ft) and admittedly new, are being rented at 2.45 a sq ft, and the company claims this is comparable to new premises of the same size outside the zone.

This illustrates that in the present depressed market, there are valid reasons for companies, particularly local ones, to opt for non-zone property, and that fears of an artificial distortion of the market are not borne out so far.

According to agents dealing with property in the zone, such as Edwards Bigwood and Bewlay, which is handling the Peartree Industrial Park for Crackley (a Glynwed company), inquiries are now strong, mainly from the West Midlands and the rest of the country. Only a few local inquiries have been received.

The first phase of the Peartree Industrial Park will offer nearly 90,000 sq ft of space in units ranging in size from 3,875 sq ft to nearly 25,000 sq ft and Edwards Bigwood is confident that this will be taken up fairly quickly. Mucklows similarly optimistic about the prospects on the Enterprise Estate.

If this does prove to be the case, it could lead to rapid development of a large part of the zone, agents believe, since a combination of confidence in the zone and some recovery from recession could encourage land owners to approach the project more aggressively.

As it is, the level of national attention Dudley is receiving as a result of the zone, and the property marketing involved, has contributed to the number of property inquiries both inside and outside the zone, although the movement of some older property is extremely slow.

Rental levels in general have been declining slowly in recent months, although according to Allsop Sellers there have been small signs of improvement in the past few weeks. Demand for nursery units has remained strong throughout the recession, largely due to their short supply and the unwillingness of many developers to become involved in construction of them.

However, the redevelopment of the 11 acre Dunlop factory site by Sapcote has provided some small units and there are other large sites in the area which could be made into smaller units. One of the largest is the 452,000 sq ft Duport factory which is on the market at around £2m.

Other industrial estates in the Dudley area where space is still available include Pensnett, owned by LCP Properties, and "Junction 2" at Oldbury, owned by the St Martin's Property Group. Mr David Quinn, estates director of LCP and a strong opponent of the enterprise zone, believes that premium prices inside the zone have already appeared.

He said recently: "We have 400,000 sq ft of property outside the zone which is unlet and conditions are extremely difficult. Having built up an attractive business without outside help, we now find our competitors being subsidised."

Top: the Olympia Testing Company's factory was the first to be completed in the enterprise zone. Above: a reconstructed Black Country village is the focal point of Dudley's museum

In the somewhat limited office property sector in Dudley, rental prices have remained comparatively stable during the past year, at between £2 and £2.50 a square foot for modern accommodation. Falcon House, owned by the British Steel Corporation, is now about 75 per cent occupied, while there is space still available at Midland House in Halesowen, an air-conditioned building developed by the London Life Association in association with the Hill Samuel Life Group. Another recent development was St John's House, which offers town centre offices.

Overall, there is little office development now in progress, due to limited demand from white collar employers in the area. In the longer term, however, successful growth of the enterprise zone would almost certainly boost this sector as associated administrative jobs followed industrial development.

The Dudley property market is therefore dependent in many ways upon the success or failure of the zone, and it is unlikely that success will create many problems, other than the ones most people are happy to have to deal with.

Lorne Barling

High technology creates 300 jobs

The partnership between Herman Smith and HITCO is a major boost for Dudley. Peter Cartwright reports.

THE IMPORTANCE to the Dudley Enterprise Zone of the recently announced Anglo-American partnership between Herman Smith and HITCO is that it will push it into the high technology field at a formative period of the Zone's development.

HITCO is a subsidiary of Armco, of Middleton, Ohio. It is a leading producer of advanced materials incorporating carbon and graphite reinforcing agents in conjunction with special thermo-setting resins. To give an idea of its potential, the company supplied more than 2,000 lb of components to the U.S. space shuttle.

Herman Smith is a fourth-generation company also deeply involved in the aircraft, defence and electronics industries. It has been casting around for some time to find a partner to carry it forward as a key supplier to makers of successful Harrier jump-jet, the Jaguar trainer and other military and civil aircraft.

The exceptionally high strength-to-weight ratio of these advanced composite materials and components makes them eminently suitable for the aerospace industry. At present they are too expensive for the automotive industry, which is where the volume business lies; but as their price comes down so will the new company, Herman Smith HITCO, move into them.

Although the financial split of the partnership has still to be disclosed, its title assumes a majority holding for the Dudley company. Of more immediate importance, perhaps, is that it will have sole selling rights in the Common Market.

The investment being sunk in the new factory is around £900,000 and it will employ some 300 people by 1985. It also pushed Herman Smith over the boundary into the Enterprise Zone. Its three existing factories lie outside.

Mr Michael Herman-Smith, chairman and, with his brother Ribert, joint managing director, is convinced that the ability to offer the Americans the advantages of the zone clinched the deal.

The agreed time for completing the extension is 14 months. Mr Herman-Smith is in no doubt that in the normal course of events this would have been almost impossible. Planning and other unavoidable delays would have ruled out such a tight schedule, even if the Government did not exert pressure to move such a potentially valuable unit to a development area.

Indeed, the project could have been placed elsewhere, but the land on which it is to be built is already owned by Herman Smith (with room for future extensions). The land had to be developed both to take advantage of the zone's financial benefits and to avoid any possible loss in value though being left undeveloped.

In this instance the cutting of planning and other red tape made all the difference in the attitude of the American partners. This is one of the lesser publicised benefits. What does come over loud and clear are the holiday from rates for 10 years from designation of the Zone and the ability to offset the entire investment against future taxation. "It has given a great boost to the whole project," says Mr Herman-Smith.

One criticism of Enterprise Zones is that they enable those inside to compete unfairly with those outside. Since Herman Smith has, or will have, one foot in and one foot out, how does this apply to the company?

The answer is that the products the new factory will be turning out for the aerospace and defence industries will not have a competitor in the area, so no reasonable comparison is possible.

"Small businesses dealing in metal scrap and others like steel stockholding may have an advantage over others of comparable size outside the Zone since they will not have the extra overhead of rates within the Zone," says Mr Herman Smith.

"But this Zone is in very severe competition with other Enterprise Zones and with the development and assisted areas, all of which can offer attractive advantages. In Dudley we are talking about a project as big as any nationally, bigger even than the National Exhibition Centre.

"Nor should it be forgotten that it will be competing against a lot of empty factories in Birmingham and the Black Country. Finally, the rental values, because of the site difficulties, will almost certainly be less attractive than those outside the Zone."

So, as in any other enterprise, the pros and cons have to be worked out for each scheme to find where the benefits, if any, exist. But in Herman Smith's case they have been crucial in bringing the Zone's first high-technology project.

It also puts the company at an even greater technical distance from its origins as a typical Black Country maker of hearth furniture of a type popular until well after the 1939-45 war.

The concern was founded in 1895 by Michael's and Robert's grandfather. The 1914-18 war brought a number of changes, but compared with 1939-45 it was more of an interruption than a decisive break with the past.

The 1939-45 war took Herman Smith decisively into the aircraft industry as a sub-contractor and this has remained one of its chief technical strengths. Since it began making Rolls-Royce engine parts for Spitfires and Hurricanes it has steadily developed into other components to match the widening demands of the defence and civil aircraft industries.

At the same time, the company keeps a continuity with its earlier years through fabricating a wide range of parts for vehicles domestic appliances and general engineering. The metal-working skills of Black Country men are an inheritance from the Industrial Revolution and the company lays great store by them.

Fifteen years ago the increasing specialisation of work made is advisable to split the company into divisions. Herman Smith (Precision Engineers) serves the aerospace, marine and defence industries in various alloys. The Presswork subsidiary is involved mainly with the road transport and domestic appliance industries and, like other suppliers, has been severely affected by the recession.

The third subsidiary, Electrical Engineers, well illustrates the company's pursuit of new markets, such as electronics, for its existing skills and plant. The Post Office and Defence Ministry are among its bigger customers.

Although a public company, its family strength is reflected in the fact that one in four of the 500 or so employees were trained within the group and that 50 have more than 30 years' service.

This strong identity with Dudley will be continued in the new company as far as possible. Substantial sums have already been spent on site investigations, consulting engineers and other services. There should also be a useful spin-off of work for the locality in the shape of jigs, moulds and fixtures.

The new work will call for graduates with chemistry and mathematics degrees and for stress engineers. As many as possible will be recruited locally and a specially selected few will be trained at HITCO's factory in California.

Borough's focal point

CONTINUED FROM PREVIOUS PAGE

legacy of problems that give cause for concern.

"The economy looks set to experience a further restructuring; the scond phase of industries may begin to die out, and the vestiges of the first phase may die altogether.

"Dudley may remain the component capital of the country, but components will change. It has great assets. There is still land for devlopment and skilled work people, but the tide is turning."

The council's policy and resources committee recently identified what it regarded as the key issues facing the area, the first being the promotion of employment, business activity, industry and commercial development. It also identified the need to help the young unemployed.

The second priority was to improve and enhance the physical environment, including the appearance and use of buildings and land. It also sought to bring land forward for development and dispose of surplus council-owned land.

While a number of non-industrial priorities were also identified, among them greater assistance for old people, the main objective of council olicy, it was suggested, should be to assist in the creation of jobs and greater business activity.

One of the sectors in which Dudley has lagged behind is that of office development and white-collar jobs, which in other areas have tended to offset at least some of the trend away from manufacturing.

Although there has been some increase in service industries, Dudley's location has meant that it has not attracted insurance companies, administrative head offices, or similar providers of white-collar jobs in any great number.

The council therefore has a difficult problem on its hands. But by creating favourable working conditions for industry, both inside and outside the enterprise zone, it can do much to assist growth in the area.

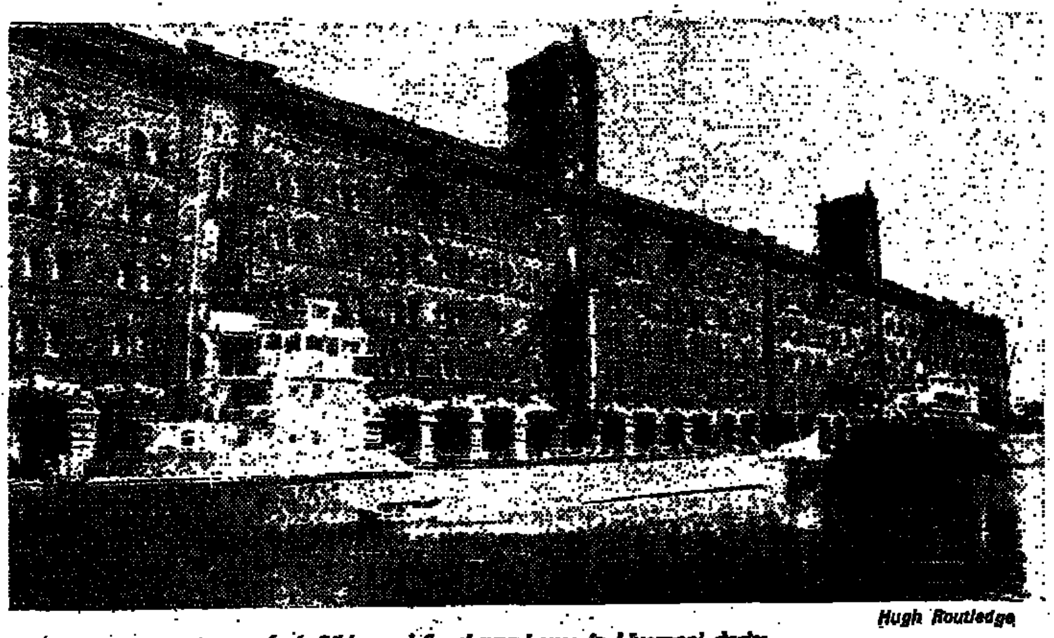
Lorne Barling

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

Devolution triumphs in Liverpool

Ian Hamilton Fazey on a change of management style that revived the fortunes of Bibby, the UK conglomerate



A. J. Bibby and Sons' warehouse in Liverpool docks — Hugh Routledge

THE LAST major manufacturer still in Liverpool's city centre hit rock bottom in May 1970. The company was losing money, and with its 8.1m £1 shares going for 34p each, £2.75m would have bought the lot.

Boardroom shuffles ensued and the new managing director, then a 45-year-old former Courtaulds high flyer named Leslie Young, set about saving the company. In 1981, the interim results of the company, J. Bibby and Sons, the agricultural and *industrial conglomerate*, have bucked the nation's slump-ridden trends and a 50p share was fetching over £3 until the stock market's current fit of panic.

The chief architect of this transformation is generally acknowledged to be Leslie Young. As Robert Morton, an analyst with Simon and Coates, puts it: "His influence has been tremendous. Under him, Bibby has made good strategic decisions to get the framework right and has then devolved authority to middle management for them to get on with it.

"This shows up in things like a very dedicated salesforce. There is strong commitment to Bibby right down the line."

Getting the framework right was a long and difficult process. Young's aim has been a swings and roundabouts mix for Bibby, so that new, high risks are balanced against older, profitable, but stable plodders.

Nowaday's Bibby's business is in animal feeds, agricultural seeds, milking, pig breeding, farming and turkeys—all in what it calls its agricultural group — and paper making, edible oils, and hospital and laboratory supplies in its industrial group.

On the way it has got out of groceries, sausage making, eggs and day-old chicks, sold off pig and chicken production in Italy, radically altered the manufacturing and marketing of its most staple products, and recently sold a packaging company after realising that its purchase was not going to bring hoped-for results.

This transformation has been achieved without a mass slaughter of the established management, but by building on existing middle management with the help of training and development programmes. Not only do recruitment difficulties in places like Liverpool make it impracticable to contemplate a complete change of management, but Bibby's very success questions the wisdom of such approaches anyway.

Young, now the executive chairman, was headhunted to the company in 1968. The Bibby family, worried by the company's performance, was after new blood from the ranks of successful, professional managers. Young's 19 years with Courtaulds had seen him rise to head the ladies' underwear business of Gossard Holdings and Kayser Bondor.

Bibby brought him in to run its agricultural subsidiary, although Young knew hardly anything about farming at all.

He was undeterred. "You've got to learn the language and the market but in the final analysis you're in the money-making business, you're making a profit, whatever you're doing. Pound notes are the same whether you're producing curtains, cars, or running a service *company.*"

He made enough impact with this philosophy to be put in charge of the whole Bibby group only two years later just as crisis was enveloping it.

The crisis arose because another part of Bibby's strategy had been to move into groceries through Princes Foods and pigs and *chickens for* the Italian market through Cip-Zoo. Things were going disastrously wrong. "They took on too much without enough thought for the management and other implications of what they were doing," says Young.

Young's elevation to the position of group managing director coincided with the early retirement of the then non-executive chairman, Mason Bibby, who thus "generously attracted a lot of underserved opprobrium onto himself," says Young. Ben Bibby, then production director, succeeded him, but vacated the chair to Young after the firm's 1979 centenary to pursue a career at the bar.

"Apart from getting quickly back into profit we had to reshape ourselves and finance the company by better profit performance," says Young. "This meant substantial cost reductions, productivity increases, firmer pricing and marketing policies, as well as selective disposals of assets to generate immediate cash."

Princes Foods had to go, not because it could not easily be put to rights, but because with sales of £17m, it was too small to give Bibby a strong enough market position to make worthwhile profits. "It needed to be three times as big. To get there would have needed substantial capital and cash and starved all other activities," Young says.

The Italian pasta group, Buitoni, happened to be looking for a ready-made food company in order to expand into Britain. Bibby kept the manufacturing contracts for the edible oil products, thus ensuring the future of its factories.

Cip-Zoo, which was proving difficult to control because of language and political problems, was also sold, to the Spanish company, Liquigas.

Underlying Young's whole approach, especially to motivating his management, was the setting of objectives that were plain to understand; the annual growth in earnings per share *should at least* equal the average achieved by the top quartile of British companies, and the managements of each of the company's activities should achieve profits of 20 per cent on capital employed.

The devolution of profit responsibility was part of a deliberate, new style of management. Young says: "I believe very much in opening up the organisation and encouraging people down the line to take decisions and be responsible for them. Before, all decisions were centralised. But there was a band of excellent middle management that was really the strength and backbone of Bibby. They were suddenly given the opportunity to make their contributions and that's what they have done."

Motivation

"The strength of the Roman army lay in the key role of the centurion," says Young. "In everyday parlance, he operated a totally *manageable* unit. We have steadily decentralised Bibby into smaller, tightly controlled units where the senior manager in each operation is profit responsible and accountable."

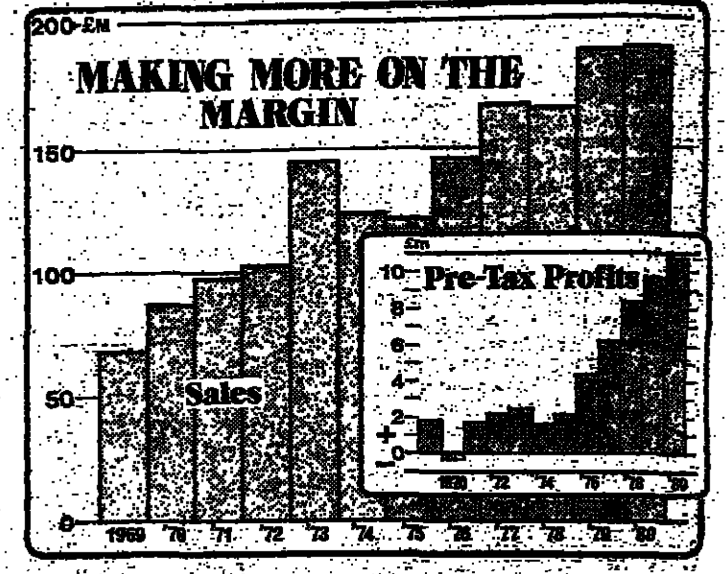
Since becoming chairman Young has split operational responsibility for the industrial and agricultural groups by appointing a managing director to each. The true state of managerial devolution is reflected in three startling figures: the corporate head office in Liverpool has only 37 staff, the industrial group headquarters near Lancaster has only nine, and the agricultural group headquarters in Leamington has only eight.

Leslie Young: aiming for a swings-and-roundabouts mix—new high risks and profitable plodders

A positively-led communications policy became vital to better motivation at all levels, with Young encouraging liberal disclosure of information to the group's 3,100 employees, a quarter of whom are on Merseyside. He feels this has been crucial to Bibby's good labour relations record. Communications with shareholders are among the best too—Bibby won the competition for the best company report last year.

It took five years of plateaued profits from 1970's losses for Young's policies to bite their way through to the accounts, but in 1976 profitability doubled to £4.18m. The four years since then have been spectacular, as the chart shows. In the first six months of this year the company made £4.9m, an improvement on last year of £400,000, despite the recession. Now that the Government has acted to prevent UK companies' turkey profits being gobbled up by subsidised French price-cutting, 1981 should be another record year.

Meanwhile, Young's qualities have not gone unnoticed elsewhere. Granada TV, stung by allegations of Manchester bias in programming, appointed him to its board. The Royal Liverpool Philharmonic Society—the business end of Liverpool's renowned orchestra—appointed him to its management committee. He also helps to drum up finance for Chester Zoo.



But his most important appointment—and, from the community's point of view, Liverpool's—has been that of chairman of the Merseyside Development Corporation, the body charged with bringing the region's redundant dockland back from the dead. The tone, pace and style that Leslie Young will bring to the MDC will be critical. His influence on the Merseyside economy in the 1980s could even be more decisive than it has been for Bibby in the 1970s.

The only regret for many a Bibby-watcher will be that you cannot buy shares in the MDC.

A more even balance

KNOCKING BIBBY'S agricultural base into shape required a major break with the past, including the closure of animal feed production in Liverpool. The very products that took Bibby to Liverpool in the first place were only viable there while Britain imported barley, the main ingredient of the feeds. Britain is now a barley exporter.

Bibby's market analyses *showed that* the way to profitable feed production was to dot the country with small mills, each serving the farmland for 60 miles around.

But Bibby also expanded on the agricultural side, buying Twydale Turkeys. It is now in fresh and frozen turkeys and is also developing processed turkey products.

Bibby's search for new growth can be seen in its industrial group, where the mature products of edible oils —themselves neatly balanced between vegetable oils and packaged fats—are comple*mented by a burgeoning* in new markets for special papers, and hospital and laboratory supplies.

Its old paper mill, Henry Cooke, is an outstanding example of what can be done through investment in plant, and vigorous marketing management. Its basic products—flour and sugar bags —have provided the bread and butter while the papermaker has found new, specialised markets to develop and dominate.

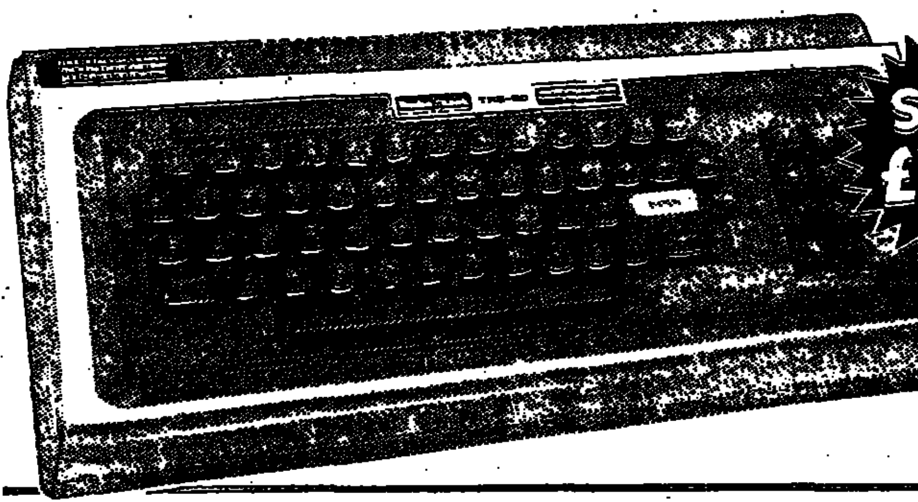
Two of these products have won Queen's Awards—out of *only four to* be awarded to that industry. The mill has run at 100 per cent capacity throughout the recession.

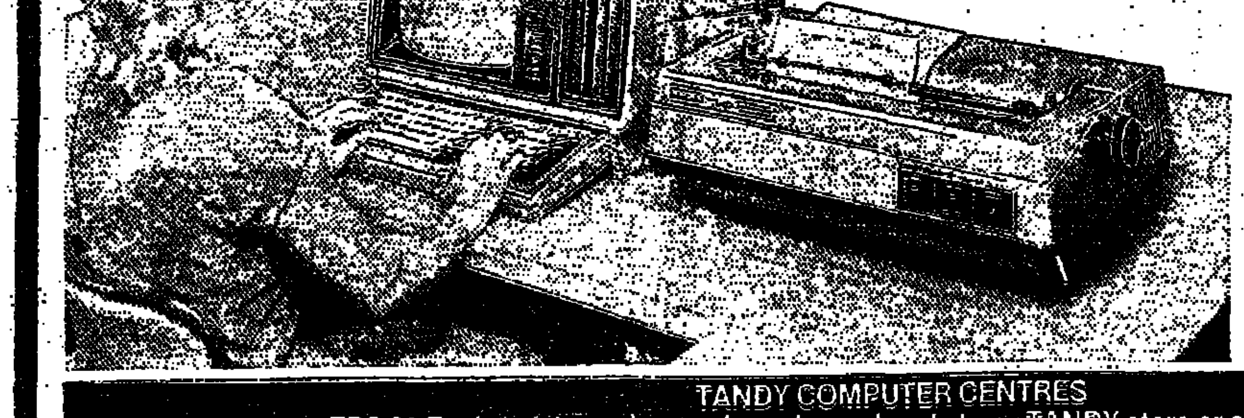
Not everything has gone smoothly: when Bibby bought the Clyde Paper Company, rescuing it from the receiver, it turned the company back into profit but then realised that it could not return the required 20 per cent on capital employed. Young sold it.

It was Cooke's success in medical markets that led Bibby to its latest buy, a North East hospital and medical supplies company called Sterilin.

The industrial group managers are now in sight of another corporate goal: to match capital employed with the agricultural group. The percentage split, which was 30/70 a decade ago, was 38/62 by 1979 and 41/58 in 1980. On sales, however, the old split remains apparent, with agricultural turnover accounting for 65 per cent of 1980's £190m.

But getting a more even balance is not just going to come from Bibby's internal managerial efforts. Its gearing was 30 per cent net borrowing to total funds employed in 1976; it is only 7 per cent now. The company has both cash and borrowing capacity to buy more companies for its industrial group and, hence, even more profits. Young admits to keeping a continuous lookout.





THE ARTS

Rossini at home

by WILLIAM WEAVER

At every musicological congress the same complaint is heard: the gap between scholarship and performance seems persistently unbridgeable. On the one hand, scholars prepare critical editions, uncover documents that confirm the composer's intentions or illustrate performance practice in the past. And on the other hand, opera houses continue to base their productions on corrupt old scores, interpreters continue to follow perverse traditions, to interpolate or cut with scant regard for authenticity.

The Rossini Opera Festival in Pesaro, the composer's birthplace, represents a glowing exception. Inaugurated last year, the festival, which promises to become a significant annual contribution to Italian musical life, is sponsored by the Fondazione Rossini, in collaboration with local and regional authorities. The Fondazione Rossini also sponsors the critical edition of the composer's works: this series of publications, brought out by Ricordi, has been under way for several years and is flanked by the foundation's scholarly *Bulletin*.

And so the festival has a scholarly basis, which is linked with the annual productions. Last year, the opening event—in the recently restored, handsome Teatro Rossini—was a staging of *La gazza ladra*, to coincide with the publication of the critical edition of the score. This year, the *Gazza* was revived, and complemented by new stagings of *L'italiana in Algeri* (critical edition of the score just out) and *La donna del lago* (edition now in the course of being printed).

For *La donna del lago*—the edition has been made by H. Colin Slim of the University of California—there was an unusual conductor: Maurizio Pollini. The illustrious pianist, like his colleagues Baronboim and Ashkenazy, had already conducted concerts; but this was his debut in the opera house, and for the occasion there was a grand turnout from all over Italy: publishers, record company officials, critics, and fans were there to cram the comfortable, but not large Teatro Rossini. Unfortunately, Pollini did not live up to the expectations. In fact, he proved a surprisingly insensitive, unresourceful conductor, relying for effect chiefly on fast tempos and either excessively loud or almost inaudibly soft volumes, with no nuances in between. Fortunately he had an excellent orchestra, the Chamber Orchestra of Europe, a Common Market creation which has collected some remarkably talented young people. The wind players—employed by Rossini with magic subtlety—were especially noteworthy. The British Choir Abroad, under Martin Bruce, sang sensitively, but their Italian enunciation was hopeless.

In a Press conference before the opening, the head of the Fondazione announced a forthcoming competition for Rossini singers which, it is hoped, will lead to the creation of a special school of bel canto in Pesaro. The school is desperately needed, as the cast of *La donna del lago* graphically illustrated the lack of interpreters nowadays capable of understanding still less of solving—the vocal problems in a Rossini score.

In this performance only Lella Cuberli, in the role of Elena, sang with distinction; she was always pleasant to hear, stylish, musical, even though the voice itself is neither very powerful nor very individual. In the trouser role of Malcolm, the mezzosoprano Martine Dupuy was almost completely unequal to the demands of the music: a lifeless voice, barely able to sketch the elaborate decorations of the arias. And the two tenors—Philip Langridge (Giacomo) and David Kuebler (Rodrigo)—were even less successful. Langridge crooned much of the time; Kuebler shouted, belting out high C's *di petto* in an opera composed before such notes had been invented. The smaller, and easier roles were well sung.

The architect Gae Aulenti is already an experienced stage designer (she has worked at *La Scala* with Luca Ronconi), but she has chiefly created sets and costumes for modern works. Coming to grips with a romantic opera, she devised a series of beetling Scottish crags (the story, after all, is from Sir Walter Scott's *Lady of the Lake*), a humble cottage, and—for the finale—a grim palace. She was also, on this occasion, the producer; and she moved both chorus and principals with tact and purpose. There were some fine highland mists, a glowing sunrise, and other fine pastoral effects. Only the lighting could be faulted for too often plunging the singers' faces into darkness, as they were singing the most radiant music.

This radiant music, restored to its pristine clarity and beauty by Professor Slim, saved the evening. Despite vocal inadequacies, despite Pollini's thumping on the podium, *La donna del lago* emerged as a great and enjoyable work, a neglected masterpiece which from Pesaro should move to the world's opera houses.

Philip Langridge and Lella Cuberli

London Galleries

Figurative sculpture

by WILLIAM PACKER

Representation is always a tricky business for the artist, and for the sculptor particularly so; for one can take verisimilitude only so far. All representational or figurative art is in any case necessarily simplified, selective, abstractive, indeed inadequate if all you require of the artist is dutiful fidelity. The artist cannot but interpose himself in some degree, through the particular choices and decisions that things so various as his eye, the practicalities of his craft, his experience of the material world and his creative intentions force him to make. Nothing he does can ever be quite like, just as it is a condition of art that it can never be natural—which is, of course, the point of it all.

But it does not follow that so obvious a fact of the creative life is generally acknowledged to be so: and even the artist himself may be confused, as, teasing his way forward into Realism, he hears his craftsmanship and technical virtuosity applauded as the true marks of genius, whilst his fellows are condemned for lack of finish.

The Realist Sculptor, whose works, after all, sits in the three-dimensional, mundane and natural world, can only defend himself by insisting upon its essential differences, its otherness, and there are many tricks and devices at his disposal; the sometime living sculpture of Gilbert and George, perhaps, or the toy-like colour and formal simplicity that belie Nicholas Monro's acuity, the play that may always be made between substance and appearance, naturalism and artifice.

Fat Jack by Robert Knight

Robert Knight, whose exhibition at Nicholas Treadwell (until October 3) marks his 60th birthday, has been ploughing his own peculiar realistic furrow for 10 years or more, and it is surprising that he is not somewhat better known here, for he has shown widely abroad, and his work is nothing if not accessible, if not always palatable. And he points the essential difference in several ways at once, working from the figure directly, life-size, but only in relief, and reinforcing the pictorial qualities that inevitably follow so one-sided a presentation by slicing off his figures, tops and tails, to leave only the poignant, suggestive significant detail. We peer in at his tableaux as it were, if not as through a key-hole exactly, as through a frame, the action continuing by implication out *of sight*.

These are indeed highly theatrical pieces, with titles supplied should we fail to get what is going on. And one must say that those titles, so explicit, are a mistake, for they close in upon the particular experience of the work at the expense of imaginative speculation, and even simple attention—from which it follows, if only as the merest suspicion, that the artist himself is perhaps more literary than visual in his pre-occupations. Maybe: these are extraordinary things nevertheless, each one beautifully made, with even the most arch and sentimental of them capable of generating a certain frisson of physical *recognition*.

A young man's hands caress his girl's denimmed bottom; another's bare back is scored by his lover's silver fingernails; Flora and Lucy show off their scars, and Fat Jack his belly. The work is as touching as ever, wistfully remarking our frail mortality. What doubts there are centre less on the work than on Knight's own discretion, and perhaps his nerve to let what he does so well, and has done now for so long, lead him forward to extend himself, to develop.

At House a younger sculptor, Michael Sinclair, having his first London show (until October 11), takes his imagery not from the figure but from altogether less graspable works of nature: seas, waves, tornadoes and water-spouts. Perverse perhaps to try to carve a water-spout in wood, and yet the phenomenon itself must take a material and characteristic form, so why not. But in the event the water-spout and tornado maquettes betray their limitations, topped and tailed arbitrarily rather than convincingly and taking on more the character of meteorological teaching-aids than of sculpture.

But then Sinclair moves on to the sea and with disarming simplicity achieves remarkable and complete success. Three *roughly rectangular sheets of* wood, lightly convex as though to echo the curvature of the earth, turn gently upon their stands, their surfaces articulated into waves, crest and trough, cross-current and under-tow, now catching the light and now in shadow, as they move slowly round. They are painted with the greatest subtlety to catch the play of sun and cloud across the water, the rocks and weed on the sea-bed, the depths and the shallows. The rough bark at the panel's edge transforms itself before our eyes into the rocks on which the waves must break when they reach the *shore*. These are very beautiful things, not models at all but actual metaphors to engage the imagination, material substance acting upon us as though quite else, yet clearly still itself.

And so to Michael Pennie at Angela Flowers (until October 10), who is not a realist at all, but a symbolist, and one moreover who in recent years has been concerned less with the intuitive *and the physical than* with the more cerebral, and for a while fashionable symbolism of numerical structures and sequences. In returning to his earlier inclinations, and in the process adopting a variety of techniques, modelling as well as carving, he has put together the best show he has had. Clearly he is as scrupulous a craftsman as ever, his carving in particular delicate and refined, but his main concern is evidently the expression of the ideas which now crowd in upon him. It is always exciting to see an artist at the point of change, about to be carried forward on a surge of work.

Elizabeth Hall

Steve Reich

by RICHARD JOSEPH

This London Music Digest offering opened with the first part of *Drumming* (1971), which remains the strongest statement of American composer Steve Reich's musical techniques. The music is constructed by means of phasing, the process of gradually moving parallel rhythms out of step with one another, in order to produce new and more complex results. In Part One of *Drumming* this basic operation of displacement is laid out on untuned tom toms. The sequence of hard, etched riffs, purposely moving apart is exhilarating in its directness: later parts dress the basic form up with candy-floss pentatonic scales, dissipating the process without imaginatively extending it into areas of pitch or timbre.

The problems of translating a rhythmic process into other media were the subject of two other works that Reich and his musicians played Saturday night. In both cases, the composer's findings were not entirely successful. *Music for Mallet Instruments, Voices and Organ* (1973) overlapped two structures, one constructional, the other developmental, holding them together with a peach-coloured series of simple harmonies that reminded me of that dreaded transatlantic disease, Elevator Music.

Octet (1979) was a more interesting proposition. Two pianists maintained a fast-moving, jazzy *perpetuum mobile*; isolated notes were either extended into drones by a string quartet or selectively reinforced, producing a series of short melodies, by a pair of woodwind players. These three different timescales co-existed happily enough. That most of the woodwind part sounded like last year's disco doodles is as much the fault of the modern listener as the composer. Reich's abrupt jump-cut of mode and pattern half way through *Octet* was no doubt intended to surprise the hearer and to extend the resources available to the composer. But it sounded arbitrary, with all the conviction of a rock single that repeatedly jerks its refrain up a semitone or two.

The last work in the programme marked a departure from the rigours of Reich's rhythmic compositional techniques. *Tehillim* (Hebrew for Praises) were finished last month and first performed in full about a week ago for the WDR in Cologne. It is a setting of four biblical psalms for four female voices, instruments and percussion and it received its British premiere at the Elizabeth Hall.

In it the composer has tried to follow the natural rhythms of the text, working more freely and intuitively than in his earlier compositions. The vocal writing is highly developed, full of short cannons, hockets and organum-like passages, though an insistence on bluesy thirds and sevenths led to vertical monotony. The instrumental parts decorated and enlarged these lines without having much of a separate identity, while the percussion provided an insistent and springy motoric pulse. I would like to hear an *a cappella* performance of the vocal parts, since they seem to be the centre of the work and much of their instrumental reinforcement obscures Reich's purpose.

In this piece the heavy miking and mixing of the players, which just about worked in the lightly scored earlier works, became a positive hindrance. There was no natural perspective to the sound the strings and wind were deprived of the high harmonics that give their instruments individuality.

Festival Hall

Mahler 2

by ANDREW CLEMENTS

Ivan Fischer is a 30-year-old Hungarian who won the Rupert Foundation Competition for Young Conductors in 1976, and who two years ago became one of the musical directors of the Northern Sinfonia. Last November he took over the London Symphony Orchestra's national tour when Abbado withdrew at the eleventh hour; such was the success of his concerts that the orchestra booked him for further appearances. Sunday night's performance of Mahler's Resurrection Symphony was one of them.

By any standards it was enormously impressive. The symphony has ceased to be a rarity, reserved for gala occasions, but it still can hardly be regarded as an everyday work nor even something that one could contemplate hearing every week. Thus Fischer made no attempt at giving its grandeur a false modesty; climaxes were there to be punched home with all the power he could extract from the LSO and its Chorus, though there was always a restraining hand on any excess of unrefined tone. If the account had any *longueurs*, then the composer was almost as much at fault as the conductor; transitions between sections seemed the only uncertainty.

So the symphony was launched in a *Walküre*-like fury, its tempo strictly measured, yet yielding to the most seductive presentation of the second-subject group imaginable. Fischer here demonstrated his ability to grade and terrace the strings, enfolding the melody in the finest web of sound; the continuation of the mood in the clarinet and cor anglais duet was equally well paced, but the return to the mood of the opening was less sure.

The *Ländler* confirmed earlier suspicions that Fischer responds best when the composer's responses are most finely tuned. The central section was infinitely more interesting than the ingenuous presentation of its beginning, but the scherzo came more closer to nightmare vision that Mahler intended than in many cosy performances.

The final pair of movements present perhaps the least problems. Felicity Palmer gave a rather cool, understated account of the *Urlicht* setting, and was positively outshone by Margaret Marshall's bright, clear soprano in the finale itself. Fischer's tempo here was deliberate, allowing much tension to accrue of its own accord: all of the off-stage contributions had clearly been carefully pieced together. For once the *Resurrection* Symphony managed to be authentically overwhelming: Ivan Fischer is a conductor whose future progress must be followed closely.

Warehouse

The Fool

by B. A. YOUNG

This is the production I saw at The Other Place in the summer of 1980, and not much changed since then. The play improves with repeated viewing. When you know what is coming, you don't wonder why it is that an entire act goes by, just over an hour long, in which John Clare (the titular fool) is barely seen. Mostly it deals with a little village insurrection; the hungry countrymen attack the houses of the gentry and carry off such loot as they can. Mr Bond's usual scene of disgusting cruelty is incorporated in this, when the men strip the parson naked in the fields to see his plump flesh. "You took the flesh of her baby," they say as they prod him and look over their shoulders at skinny Patty. The gentry arrive with shotguns, the rioters are arrested, and Darkie, one of them, Patty's brother and Clare's posthumous brother-in-law is hanged.

John Clare is one of their company, but he takes no part in this exploit. All we see of him in this act is some country copulation with Mary, a servant at the big house, and some hysterical laughter in Darkie's condemned cell.

The other act completes the life-story of this unhappy man. His poems are published, he is received in London, where Lord Radstock, his patron, warns him against radicalism while watching a prizefight in Hyde Park. Clare goes rapidly downhill. There is a sensitive scene showing the first sign of madness as he sits in his cottage, his wife urging him to bring in some money instead of scribbling. Lord Milton, a kind and considerate landowner whom Mr Bond, being Mr Bond, paints always in unattractive colours, arranges to have him taken away to a good, comfortable mental home; and there he grows older and older in the company of Mary Lamb (whom he met in Hyde Park 30 years before, but who is still 25 or so as Catherine Riding shows her) and Napoleon.

The first act is simply a long-winded description of the kind of society with whom Clare lived, It is a good little play on its own, but it has little to do with later events. All the same, The Fool is a moving play, and this production under Howard Davies, ugly as it is on Chris Dyer's set, will do. James Hazeldine, as Clare, like Mary Lamb, never shows his age: but this seems to be one of Mr Davies's fads, for the parson, described as old and grey-haired, is middle-aged and raven black.

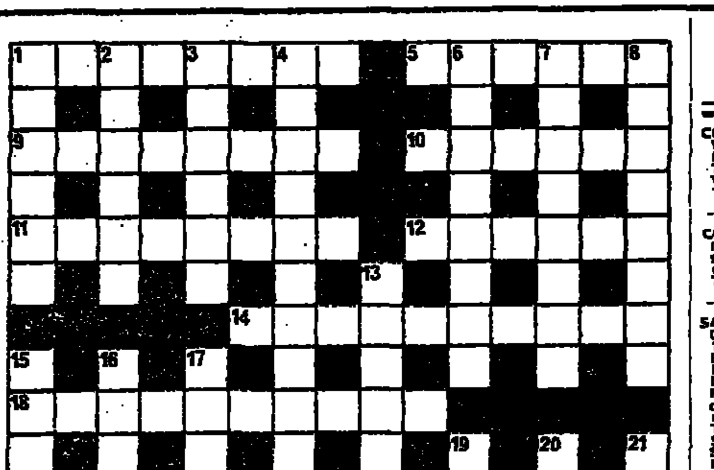
F.T. CROSSWORD PUZZLE No. 4,684

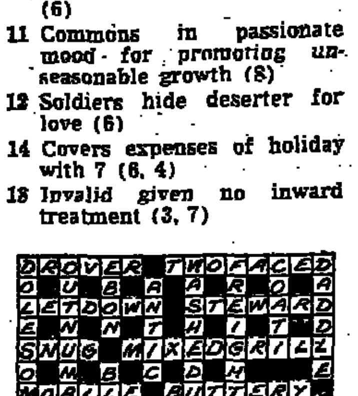
ACROSS

1 Just about fit to close (4, 4)
5 Promotion increase (4, 2)
9 Firing by key operator for a start (8)
10 Tenant the French notice (6)
11 Commons in passionate mood for promoting unseasonable growth (8)
12 Soldiers hide deserter for love (6)
14 Covers expenses of holiday with 7 (6, 4)
18 Invalid given no inward treatment (3, 7)
22 Point after 15 hit? Try twisting (6)
23 Daughter losing by a hole cheated (4, 4)
24 Start to circle outfit within (6)
25 Territory protected before first courtly stroke (8)
26 9 eg maybe started by 9 (6)
27 Pick debtor as benefactor (8)

DOWN

1 Point to racing crew going to mass (6)
2 One in France comes in after hours shaped like a crescent (6)
3 Fancy upsetting heavyweight over such a tiny thing (6)
4 Suitable stock for bulk carriage (5, 5)
6 The riots organised by speculator (8)
7 Sure it's a pole? (8)
8 Arguments industrialist finds delightful (8)
13 Part of meal taken in cockpit on track (4, 6)
15 Refuge for a nut (8)
16 Remarkable industrial action (8)
17 Final shot played on a tin harp in discord (8)
19 Trifle with West-end afternoon service (3-3)
20 Doctor river line next day (6)
21 Maybe earned secure affection (6)





Solution to Puzzle No. 4,683

OPERA & BALLET

COLISEUM. S 836 3161. CC 240 5258. ENGLISH NATIONAL OPERA. Tonight, Fri 7.30: *THE SERAGLIO*. Tomor, Sat 7.00: OTELLO. Thurs 7.30: THE MERRY WIDOW. 104 balcony seats avail from 10 am on day.

COVENT GARDEN. 240 1066. S. (Gardencharge CC 836 6903). 65 Amphi-seats avail for all perfs from 10 am on the day of perf THE ROYAL OPERA Thurs & Sat 7.30, Samson et Dalila.

SADLER'S WELLS THEATRE EC1. Tel. 01-837 1672/1673/3856. Credit cards 10 am to 6 pm 01-278 0871. Grp sales Box Office 01-379 6061. Until 10 Oct Eves 7.30. Sat Mat 2.30 SYDNEY DANCE COMPANY. Ton't & Tomor—Poppy . . . impressions of the life & art of Jean Cocteau "One of the liveliest modern dance companies ever created." Tkts £2 to £8. SAVE £ & £'s DANCE SUBSCRIPTION SEASON. For details tel. 01-278 0855 NOW!

THEATRES

ADELPHI. S CC 01-836 7611. Eves 7.30. Sat 4.0 and 7.45. Mats Thursday at 3.0. *TONY BRITTON*. JILL MARTIN, PETER BAYLISS and ANNA NEAGLE in MY FAIR LADY. Grp bookings ring 01-836 7358 or 01-379 6061. LAST 5 WEEKS OF RECORD-BREAKING RUN.

ALBERY. 836 3878. CC 379 6565-930 0731. Grp bkgs 836 3962/839 3092. From 6 Oct Evgs 7.30. Thur & Sat Mat 3.0. Direct from The Mermaid. Trevor Eve, Elizabeth Quinn in CHILDREN OF A LESSER GOD.

ALDWYCH. S. 836 6404. CC 379 6233 (10-6, Sats 10-4). Info. 836 5332. ROYAL SHAKESPEARE COMPANY HAMLET. Seats avail ton't 7.30 pm. Next perf of Solzhenitsyn's THE LOVE-GIRL AND THE INNOCENT Fri 2 Oct. Prestel 22023. Group sales 379 6061. RSC also at the *Warehouse/Piccadilly*.

AMBASSADORS. 01-836 1171. S CC. THERE'S A LITTLE DEVIL IN EACH OF US . . . HARVEST. Previews from Oct 7. Opens Oct 14 at 7.0. Evgs Mon-Sat 8.0. Mats Tues 3.0. Sat 5.0. No Mat Oct 13.

APOLLO. Shafts. Ave. S CC 437 2663. Mat Wed 3.00. Sats 5.15 & 8.15. Eves 8.00 HANNAH GORDON, PETER GILMORE in THE KILLING GAME.

APOLLO VICTORIA (opp Victoria Station) THE SOUND OF MUSIC PETULA CLARK Evgs 7.30. Mats Wed & Sat 2.30. Box Office 10 am-8 pm. In person-phone-post plus SAE. SPECIAL HOT LINES 01-828 8665 (3 lines). Credit cards 01-834 6919-6184. Teledata instant 24 hr confirmed Credit card bookings 01-200 0200. Group sales 01-379 6061. Group bookings 01-839 2751. LONDON'S GREATEST VALUE. Prices £2.50, £4.50, £6.50 & £7.50. TICKETS NOW AVAILABLE. Tonight at 7.30. Tomorrow at 2.30 & 7.30. BOOKING THROUGH CHRISTMAS AND INTO 1982.

ARTS. S. 836 3334-2132. Tues-Fri 8.00. Sat 6.00 & 8.30. Sun 7.00. MACREADY!

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CAMBRIDGE THEATRE. 01-876 1488. Party Bookings 01-836 2379. Opening Dec. 18 for the Xmas Season. JON PERTWEE in WORZEL GUMMIDGE. A *New Musical based on the famous television series.*

COMEDY THEATRE. S CC 930 2578. Mon-Thurs 8.0. Fri & Sat 8.15. Mat Thurs 3.0. Sat 5.15 (not suitable for children) STEAMING by NELL DUNN. Pre-show supper at the Cafe Encore (opp. Theatre) plus a good stall/circle seat for only £8.50. Tel. 01-930 1894.

CRITERION. S 930 3216. CC 379 6565. Grp bkgs 836 3962 *Mon to Thur* 8.00. Fri and Sat 6.00 and 8.45. STALLS FROM £2.90. *Dario Fo's farce* CAN'T PAY? WON'T PAY!

DUCHESS. S and CC. 836 8243. Eves 8. Wed 3. Sat 5.30 and 8.30. Francis Matthews. George Sewell and Lynette Davies in Best Thriller for Years. THE BUSINESS OF MURDER.

DUKE OF YORK'S. *836 5122.* *SIMON CALLOW* & *PATRICK RYECART* in the world premiere of J. P. DONLEAVY'S Bawdy and Joyous THE BEASTLY BEATITUDES OF BALTHAZAR B. Prev Ton't 8.0. Opens Tomor 7.0. Sub evgs 8.0. Sat 5.0 8.15 Last chance for BEASTLEY BARGAINS! Any seats bought before Tomor for any perf at prev prices.

GARRICK. S. CC. 836 4601. MARTIN JARVIS, JUDY GEESON and PETER BLYTHE CAUGHT IN THE ACT. Evgs. at 8.00 Wed 3.00, Sats 5 & 8 Group sales 01-379 6061.

GLOBE. S. CC. 437 1592/439 6770-6779. Eves 7.30. Mats Wed 2.30. Sats 4. THE MITFORD GIRLS. A new musical by Brahms, Sherrin & Greenwell. Prevs Oct 5, 6, 7. Opens Oct. 8.

GREENWICH. S. CC. 01-858 7755. DOROTHY TUTIN in THE DEEP BLUE SEA by Terence Rattigan. Evenings 7.45. Mats Sat 2.30.

HAYMARKET THEATRE ROYAL. 930 9832. DEBORAH KERR, IAN CARMICHAEL in OVERHEARD. A new *comedy by* PETER USTINOV. *Evs Mon* Sat 8.00 am. Mat Wed 2.30 Sat at 4.30 pm.

HER MAJESTY'S. 930 6606-7. CC 930 4025-6. Grp sales 379 6061. Eves 8.0. Sat Mats 3.0. FRANK FINLAY in the National Theatre's multi-award winning International Smash Hit AMADEUS by PETER SHAFFER. Directed by PETER HALL.

KING'S HEAD. 226 1916. Dnr 7.00. Show 8.00 THE ORCHESTRA by Jean Anouilh.

LONDON PALLADIUM. 01-437 7373. MICHAEL CRAWFORD in the Broadway Musical BARNUM. Evgs 7.30. Mats Wed and Sat 2.45. Use the Barnum Hotline 01-437 2055. 01-734 8961 for instant credit card reservations. MATINEE TOMORROW 2.45. SEATS AT DOORS.

LYRIC. S. CC. 437 3686. RICHARD BRIERS, PETER EGAN, Richard Pearson, Pat Heywood in Bernard Shaw's comedy ARMS AND THE MAN. Prevs from 7 Oct 8.0. Opens 15 Oct 7.0.

LYRIC HAMMERSMITH. CC 01-741 2311. Previews from Thur Eves 7.30. Sat 4.30 & 8.15. COLIN WELLAND'S Roll On Four O'Clock with WINDSOR DAVIES. LYRIC STUDIO. Eves 8 pm THE CASE OF DAVID ANDERSON QC by John Hale with Corin Redgrave.

MERMAID TH. Blackfriars. EC4. 01-236 5568. CC 01-930 0731, 01-236 5324. Air conditioned. Parking adjacent CHILDREN OF A LESSER GOD. starring TREVOR EVE & ELIZABETH QUINN. Evgs 8.0. Mats Thurs & Sat at 3.0. Ends Sat. OPENS ALBERY OCT 6. SHAKESPEARE'S ROME FROM OCT 8.

MAY FAIR THEATRE. 629 3036 (nr Green Pk Tube). Evs 8.0. Mat Sat 5.0 JEREMY NICHOLAS in THREE MEN IN A BOAT by JEROME K. JEROME.

NATIONAL THEATRE. S. 928 2252. OLIVIER (open stage) Ton't 7.15 Tomor 2.00 (low price mat) & 7.15 THE SHOEMAKERS' HOLIDAY by Thomas Dekker. LYTTELTON (proscenium stage): Ton't, Tomor 7.30 WHO'S AFRAID OF VIRGINIA WOOLF? by Edward Albee. COTTESLOE (small auditorium—low price tkts): Prevs from Thurs CARITAS new play by Arnold Wesker. Olivier/Lyttelton *Summer Standby* any unsold seats £3.50 (£2.80 mid-week mats) from 10 am on day. Car park. Restaurant 928 2033. Credit card bkgs 928 5933. NT also at *HER MAJESTY'S*.

NEW HALF MOON. 790 4000. 8 pm. INSTANT ENLIGHTENMENT.

NEW LONDON. CC. *Drury Lane*, WC2. 01-405 0072 or 01-405 1567. Evgs 8.0. Tues and Sat 3.0 and 8.0. CATS. THE ANDREW LLOYD-WEBBER T. S. ELIOT MUSICAL. ADDITIONAL BOX OFFICE at normal theatre prices. The Ticket Centre (next to Wyndham's Theatre), Charing X Rd. Grp sales 01-405 0075 or 379 6061. Sorry no seats available till Dec.—Apply daily to Box Office for returns. *Extra perf. Xmas Eve* 3 pm. LATECOMERS NOT ADMITTED WHILE THE AUDITORIUM IS IN MOTION, PLEASE BE PROMPT. Bars open 1 hour prior.

PICCADILLY. S 437 4506. CC 379 6565. Group bookings 01-836 3962, 379 6061. Prestel bkgs Key 202324. Mon. Fri 8. Mats Wed 3. Sats 6. 8.40. Stalls from £2.90. Students £2.90 in advance (ex Sat ev). Runs 2 hrs 10 mins. ROYAL SHAKESPEARE COMPANY in Willy Russell's new comedy EDUCATING RITA Comedy of the Year SWET Awards 1980. RSC also at Aldwych, Warehouse.

PRINCE EDWARD. Old Compton St., W1. S. CC. Box Office 437 6877. Hotline *439 8499. Group sales 379 6061*. Evgs. 8.00. Mats Thurs (economy price) and Sat 3.00. Evgs perfs end 10.15. EVITA by Tim Rice and Andrew Lloyd-Webber Director Hal Prince. Seats from £3.50.

PRINCE OF WALES THEATRE. 930 8681. Credit card bookings 930 0846. PAUL DANIELS in IT'S MAGIC. Mon-Thurs Evgs 7.30. Fri and Sat 5.30 and 8.00. *Group sales 379 6061*.

QUEEN'S. S CC. 01-734 1166. Evenings 8.0. Mat Wed 3.0. Sat 5.30 and 8.30. NOTE FROM OCT 10 SATS 5.15 & 8.30. EDWARD FOX, ROBIN BAILEY, JAMES GROUT and PRUNELLA SCALES in QUARTERMAINE'S TERMS. A new play by SIMON GRAY. Directed by HAROLD PINTER.

RAYMOND REVUEBAR. CC 01-734 1593. At 7.00, 9.00 and 11.00 pm. Open Sun PAUL RAYMOND presents THE FESTIVAL OF EROTICA. New Acts. New Girls. New Thrills. 23rd sensational year Fully air-conditioned.

ROYAL COURT. S. CC. 730 1745. TIBETAN INROADS by Stephen Lowe. Opens Ton't 7.0. Sub Evgs 8.0. Mon Evg all seats £2.

ROYAL COURT THEATRE UPSTAIRS. 730 2554. RIPEN OUR DARKNESS by Sarah Daniels: a black comedy. Evgs 7.30. Last Week

SAVOY. CC. 01-836 8888. For Credit Card bookings ring 390 0731 (4 lines). 9.30-6.00. Sats 9.30-4.30. Evs 8.00 Mats Thurs 3.00. Sats 6.00 and 8.45 GERALD HARPER, SYLVIA SYMS in *Francis Durbridge's new thriller.* HOUSE GUEST with PHILIP STONE.

ST. MARTIN'S. CC 836 1443. Evgs 8.00. Tuesday 2.45 Saturdays 5.00 and 8.00. Agatha Christie's THE MOUSETRAP. World's longest-ever run. 29th YEAR. SORRY, we never do reduced prices.

SHAFTESBURY. S. CC. Shaftesbury Avenue. WC2 Box office 836 6596 or 836 4255 Credit card bookings 930 0731 (4 lines). (9.30-6.30, Sats 9.30-4.30) & 379 6565 THE NEW STAR COMBINATION MARTIN SHAW, GEMMA CRAVEN THEY'RE PLAYING OUR SONG "HIT MUSICAL — A REAL STUNNER." OAP's £4 (Wed Mat only). Best seats. Student Standby £4. Evgs 8.0. Mats Wed 3.0. Sats 5.0 & 8.30

STRAND. CC 01-836 2660-4143. *8.00.* Mats Thurs 3.00. Sats 5 and 8. 11th HYSTERICAL YEAR OF THE LONGEST RUNNING COMEDY IN THE WORLD. NO SEX PLEASE — WE'RE BRITISH, 2 hours of non-stop laughter. Directed by Allan Davis. Group sales Box Office 01-379 6061.

TALK OF THE TOWN. CC 01-734 5051. For reservations—or an entry. London's greatest night out. From 8 pm. 5 HOURS OF TOP ENTERTAINMENT. THE TALK OF THE TOWN GALA GALAXY REVUE (9.30 pm). WALL STREET CRASH (11 pm). Dinner, Dancing. 3 bands.

VAUDEVILLE. S. CC. 01-836 9988. Evenings 7.45. Matinees Wed 2.45. Sat 4.00. DONALD SINDEN, Dinah Sheridan, Gwen Watford, Polly Adams in PRESENT LAUGHTER by Noel Coward. Group sales office 01-379 6061

VICTORIA PALACE. CC 01-828 4735-6, 01-834 1317. Evs 7.30. Wed and Sat 2.45. Group sales 01-379 6061. ANNIE. LAST 9 WEEKS prior to National tour.

WAREHOUSE. Donmar Theatre, Earlham Street, Covent Garden. *Box office* 836 6808. ROYAL SHAKESPEARE COMPANY. THE FOOL by Edward Bond. Ton't 7.30 pm. Next perf GOOD 2 Oct.

WHITEHALL. Box Off. Tel. 01-839 6975. 01-930 6012/7765. CC 01-930 6693/6694. Group Sales Tel. 01-379 6061. Whitehall's Latest Farce ANYONE FOR DENIS? by JOHN WELLS directed by DICK CLEMENT MON-SAT EVES 8.15 pm. SAT MAT 5.00 pm.

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Tuesday September 29 1981

The flight into money

THE WORLDWIDE fall in security and commodity prices, which continued in a barely orderly fashion yesterday, is in its way quite a dramatic tribute to the power of monetary policy. An unyielding stance on the part of the Federal Reserve Board in the U.S. has in the crudest way restored the standing of money: investors are prepared to take sharp losses to increase their cash holdings. It has also aroused wide-ranging and justifiable fears about economic activity and financial security.

Dominant

In principle any determined stand against monetary inflation is bound to have some such effects, as we have already learned in a British national context, and in spite of these effects the U.S. Administration has wide international support in its general economic aims. However, the dollar is still such a dominant force in international financial markets that American actions have an impact quite out of proportion with the U.S. share in world trade and there is widespread criticism of the balance of U.S. internal policies. It is argued that exclusive reliance on interest rates to restrain credit growth has the maximal effect internationally as well as imposing possibly unnecessary internal problems.

It is certainly easy to suggest a range of measures, from spending cuts to a less favourable tax treatment of borrowing, or the imposition of direct credit controls, which might achieve the Fed's monetary targets at lower interest rates. Since high rates will also tend over time to pose increasing problems for weak borrowers in the developing world and for weak financial intermediaries within the U.S., present policies also carry a large risk of crises, possibly leading to expensive and inflationary rescue operations. The present efforts to refinance the U.S. savings and loan industry with various forms of subsidised or tax-privileged instruments is a foretaste of the ways in which a squeeze can prove self-frustrating.

There can be little doubt, then, that the U.S. representatives at the present IMF meeting in Washington will find themselves under heavy international pressure in the next few days. Exactly two years ago similar pressure on that occasion to persuade the U.S. to address the weakness of the dollar, led to the basic change in Federal Reserve tactics which produced the rise in interest rates.

The Administration may again wish to do what it can to soften the effects of its policies in the outside world, but find itself largely powerless to do so. It is already struggling to reduce the Federal deficit through expenditure cuts, but is meeting political resistance. Meanwhile, high interest rates add to Federal outlays.

The alternative route, through higher taxation, is not only against Administration policy, but painfully slow under the U.S. Constitution. A change in monetary policy, to take account of international portfolio demand for the dollar—effectively substituting a measure of domestic credit expansion for the present measures of liquidity—would undoubtedly be helpful technically, and would echo the old IMF rules for stable international adjustment; but any change at the moment might pose credibility problems. It is unlikely, then, that the crisis will be ended by any change in U.S. internal policies.

Alternative

However, there is no immutable rule which says that dollar interest rates must be transmitted to the rest of the world; indeed, Japan already demonstrates the independence of a relatively controlled financial system. European rates have risen in response to dollar rates by choice; the rise has been either the result of official intervention to limit the rise of the dollar, or of action taken to check that rise without intervention.

The alternative which has always existed is to allow the dollar to find its own level in a free market, in which interest rates in other currencies reflect domestic and not international conditions. This free float has been abandoned largely because of the implications of a rising dollar for oil prices; in today's weak oil market, this argument has less force.

A warning for Mr Trudeau

MR PIERRE TRUDEAU, the Canadian Prime Minister, has won a pyrrhic victory in his campaign to make Canada master of its own constitution.

The Supreme Court of Canada yesterday ruled that the law, as it stands, allows him to submit for endorsement by the British Parliament the constitutional package which he put forward a year ago.

But the nine judges also found that there was constitutional convention which stood against his going ahead. So delphic a set of findings contains the danger of a bitter dispute within Canada and between Ottawa and Westminster.

Anachronism

Its roots lie in Canada's colonial history, in its federal constitution, and above all in the inability of the 10 Canadian provinces to agree on a mechanism for making fundamental changes to their constitution. When, in 1931 the Statute of Westminster granted full independence to the British Dominions, Canada alone among them asked that the ultimate right to amend the British North American Act of 1867, which serves as the Canadian constitution, should remain in Westminster.

The House of Commons select committee on foreign affairs has correctly described that residual colonial right as an anachronism. The only reason why it survives is that 50 years after the Statute of Westminster there still is no agreement between Ottawa and the provinces on an amending formula.

That is not for want of trying: the matter has been talked almost to death in countless federal provincial conferences. That is why Mr Trudeau last year decided to cut the gordian knot. He put together an amending formula which would allow the provinces to be heard, either through their governments and legislatures, or through referendums. He added a Bill of Rights and then got his Parliament, subject to a final debate and vote yet to be held, to authorise him to submit his plan to Westminster where he expected it to be rubber-stamped.

All but two of the provincial governments united against that plan. They agreed last April on an alternative amending formula which would get rid of the referendum as a means of obtaining, over their heads, provincial approval to future constitutional change.

They passed over the Bill of Rights because they were afraid that it would diminish the sovereignty of Parliament and their own provincial legislatures. More especially, Quebec objected to a clause which would have cut across parts of its own legislation ensuring primacy for the French language in Quebec.

Mr Trudeau's basic objective in deciding to go it alone was to get on with "nation building," meaning that he wished to check the centrifugal forces inevitable in a country as diverse as Canada. The diversities pit against each other English and French, not to speak of substantial groups of immigrants from other European countries; the manufacturing industries of Ontario and Quebec against the resource-based economies of the West; the wealth of the oil-bearing provinces against the relative poverty of the East.

Toughest

Under pressure from the opposition, Mr Trudeau undertook not to submit the plan to Westminster unless the Supreme Court supported him in clear-cut fashion. Though he has shown signs of tiring, Mr Trudeau generally is at his toughest in adversity. He may now take the judges' sybilline ruling to be the clear-cut authority he wants. First reactions from his Justice Minister, Mr Jean Chretien, support that suspicion.

That would not be in the best interests of the consensus upon which Canadian unity rests. It would also conjure up the danger of an acrimonious debate at Westminster, which would serve the best interests neither of Canada nor of Britain.

Mr Trudeau should fight his battle to the end in Canada, however elusive an agreement may be. Westminster should not have to settle an issue which the Canadian Supreme Court has left vague.

MONDAY ON THE STOCK EXCHANGE

It could have been worse . . .

By Richard Lambert, Ian Rodger and Tim Dickson

8.30 am. Brokers and jobbers start to assemble in their City of London offices. The mood is not cheerful. The London Stock Exchange has nosedived over the previous fortnight, along with most stock markets elsewhere in the world. Week-end press reports have been largely negative, with no-one willing to stick their neck out too far.

Worse, there is grim news from the Far Eastern markets, where the day's trading has already drawn to a close. Share prices in Sydney and Hong Kong have continued their slide. And the Tokyo stock market, which has a reputation for being much less volatile than the other Far Eastern markets, has moved sharply lower. The Tokyo Dow Average is down by nearly 303 points at 7,037, which sounds like one for the record books.

9 am. The brokers begin to get early indications of how the jobbers are going to open up their prices on the first day of the new fortnightly trading account. It looks as though most shares are going to be marked down by several pence.

Sterling gets off to an uneasy start, dipping at one point to the lowest level seen since October 1976. It then rallies a little against the dollar, but is still down by roughly 1½ cents compared with Friday night's close: the trade weighted index for sterling has dropped half a point to 85.9.

9.30 am. The equity market starts trading, and the falls which were already evident in inter-office trading begin to accelerate. Prices are being cut in all directions, and the Extel stock exchange ticker, normally a model of sedate language, bursts into purple prose with its description of "Widespread and indiscriminate price-slashing."

The institutional dealing rooms of the big broking firms are beginning to see some business. Some report some quite heavy selling in the opening minutes: others insist that the institutions are holding steady—as they were reported to have done through most of last week. "We have been seeing three buying orders for every sell," one dealer states. However, even GEC, Plessey and Racal — glamour electrical stocks — are being savagely marked down.

On one point there seems to be widespread agreement: much the heaviest weight of the selling has been coming from the private investor, and private sellers are again leading the market down this morning. Brokers hazard a number of different explanations. "They are at the sharp end: its their own money they can see being drained away in these setbacks," says one. Another argues that the private investor still has very vivid memories of the crash of 1974, and that although there are wide differences between today's circumstances and those seven years ago, the small man has decided to protect his position.

THE SHARE SLIDE: How the FT 30-share index has fallen this month

Investors in unit trusts, who generally stayed calm last week, are selling in larger numbers. One or two major groups put up shutters while they hurriedly recalculate the prices of some of their funds. "It's extremely hairy" says one manager.

"Normally we would expect to make out about 300 contracts at the end of the day, most of which would be for people buying our units. I gather from our unit dealers that the figure today is likely to be about 400, most of them for people selling," says the manager of one major group.

Viewing gallery excitement

However there is a general feeling that the private investor has not been speculating on borrowed money to anything like the extent of the early 1970s. That should help to restrain the selling pressures.

10 am. The gilt edged market opens, with a resounding thud. Falls are general, and range to around half a point. The news from the money market is that interest rates are continuing to push higher. Yields on three month Sterling CDs, for instance, have risen by more than a quarter of a point this morning to 16¼ per cent. How long can the banks hang on to their 14 per cent base rates?

Shortly after 10 am, the day's first reading of the Financial Times Industrial Ordinary Index—the widely quoted "30 Share Index"—comes pinging out of Bracken House on the tapes. It is down 23.6 points at 451.1. The statisticians again start groping for their record books.

The weight of selling seems to be easing, and activity in the institutional dealing rooms is nothing out of the ordinary. There are no great indications of dramas in the City: the sun is shining brightly on Throgmorton Street, and people are ambling around in their normal fashion. The only sign that something special may be happening comes when radio and television vans start to converge on the Stock Exchange Tower. The market has become a media event.

Maybe the worst is over? At last, some blue marks begin to appear against the columns of red figures which dominate the telveision screens on the dealing desks. "The institutions are nibbling," one dealer comments, flashing what does not look a very long list of buying orders.

Indeed the 11am Index looks a tiny bit brighter: the fall has been reduced to 21.9 points. But it is a very brief respite. The red figures start to appear again on the screens, and it is clear that the whole market is shifting down to lower ground.

There is not much private selling now "We are advising clients not to sell. It's already too late" says one broker. Is anything going up? "Interest rates, blood pressure," comes the reply.

"We are all waiting now for 3 o'clock and the New York opening," says one dealer. It seems clear that the mood on Wall Street is having a major impact on price movements in London—as it is elsewhere in the world. The prospect that U.S. interest rates are going to remain painfully high in the foreseeable future is the most frequently cited explanation for the sell-off. As one broker explains: "Until recently, everyone thought that interest rates were coming down. But the end of the rainbow keeps receding."

But there are still some optimists about. "Our view is that U.S. rates may well be on the way down and Wall Street is building for a tremendous rise" says one broker, hopefully. Wall Street, he goes on, is critical. "If it doesn't fall today, markets could stabilise. But who knows what will happen next?"

What about the guru, Joseph Granville, who is reported to have forecast that today will see the most savage setback in the history of the New York Stock Exchange? The question tends to bring a nervous laugh, and the comment that of course nobody can take such wild projections seriously. But it is a talking point, and as one broker put it: "You have to be aware that a lot of people know he said that."

The Labour Party's brouhaha, by contrast, is not a subject of general discussion. "The outcome of the Healey-Benn battle was the best possible result for the Conservative Party," one broker suggests. But there is a general feeling of depression about the Conservative Government's economic strategy.

Noon. The FT 30-Share Index is now down by no less than 29.4 points, and there does not seem to be a buyer in sight.

Some of the big institutions are dribbling small amounts of money into the market, but most seem to be holding back. There seems to be little point in buying when prices are falling so fast.

As the morning wears on more unit trust groups realise that they cannot any longer trade on prices quoted in the morning's paper—these are based on share prices from Friday lunchtime and in the interval the Index has shed nearly 40 points.

"If we allow people to get out at this morning's prices they are effectively being subsidised by those who stay," says one manager. Several groups stop trading at 12.30 for a while to update their prices.

Over at the Stock Exchange, the viewing gallery is crowded with schoolchildren and television cameras. But again, there is no evidence of drama or panic. The elegant young lady who describes the virtues of the market-place is sticking to her usual script. The floor of the exchange is no more crowded than usual, and there is no indication that anything untoward is happening. Although prices have been marked down heavily, it is still possible to deal in everything. The system is taking the strain.

1 pm. The market has steadied again, and the Index fall has been reduced to 27.1 points. In the lunch room of a major insurance company, the talk is by no means confined to the fall in share prices. Like some other big investors, the company had kept out of the market during its mid-summer upsurge, and has been picking up a few lines of selected stock in the past few days. But it is pointed out that a number of big rights issues may have been left stranded by the big shake out. The institutions may have to keep some of their powder dry if they are going to be called on to take up large underwriting obligations.

In the event, though, it turns out that over 71 per cent of Trusthouse Forte's £87m rights issue has been taken up by its shareholders. In the circumstances, that looks a good result.

What will stop share prices falling? Most answers to this question centre around interest rates. "The gilt-edged market will have to stabilise," says one City man. "We need a clear feeling that interest rates are at or near a short term peak," argues another.

Less tangibly, there is also a feeling that the market's fall has developed a momentum of its own—that price declines have been feeding on themselves, and creating further setbacks. Rather than requiring a particular event to change the mood, maybe the falls will just peter out by themselves. The market is discussed almost in terms that suggest it is an independent creature with a will of its own.

"Meanwhile," says one broker glumly, "the only thing that is not going down is the Stock Exchange lift."

3.00 pm—In the dealing room of a major broker, just off the floor of the Stock Exchange, the opening on Wall Street is awaited anxiously. Already there has been a moderate recovery in the London market partly in response to announcement by Continental Illinois Bank that its prime rate would be cut.

The 'upstaging' of Coronation Street

But the Dow Jones Industrial Average opens down and is off 13 points by 3.30.

"Our market is just coming off the top again on the back of Wall Street," one dealer says, while another runs in from the floor of the Exchange cursing at the television news cameras.

"The Stock Exchange is going to upstage Coronation Street," he says. "It's getting so that you can't even sneeze without being reported."

Another chimes in. "Yeh, they're waiting for someone to do a parachute jump off the side."

3.45 pm—Wall Street starts to recover. But still the telephones do not ring.

5.00 pm—The FT 30-share index closes with a fall of 17.2 points at 457.5. On any normal day that would be a startling setback. Today, it seemed, things could have been worse.

Men & Matters

Shocks'n'stares

God was in one of his ironic moods yesterday. As the tapes chattered out their tales of "Black Joe" and "Black Monday," the sun shone bright and cheery on the City streets. Inside the gloom-ridden Stock Exchange, the visitors' gallery seemed at times to be more crowded than the trading floor, while "buttons" of various colours nipped in and out through Capel Court muttering with fragile hope of rallies which, heaven knows, were bound to gather strength sooner or later.

Where were the bright glimmerings amid this encircling gloom? Where was the new Richard Whitney, prepared to step forward on behalf of a latter-day Morgan to place an order in confident, commanding voice for "10,000 U.S. Steel at 205"?

The short answer was that if you did manage to cheer yourself up yesterday, you were in a well-defined minority. You might have discovered a half-forgotten holding in Hallite, just as the unknown raider began its dawn swoop. You might have been David Kay, potentially £2m to the good after selling his curtain group Draperite to Reliance Knitwear and with a £25,000-a-year service contract to keep the wolf still further from the door for the next five years.

Or, you might have been Terence Conran, father-to-be of the Habitat share issue for which prospectuses went out yesterday. Far from cruising the City looking for the tell-tale piles of disembowelled documents, or pressing his nose against the Stock Exchange glass, Conran spent yesterday conducting an "orientation" meeting for the firm's international buyers. "I'm getting back to managing Habitat," he told me, "it's not an ideal situation, but the issue is underwritten and we've got our money."

But while the job of holding the bag—as "Black Joe" might say—for the Habitat issue has now passed *pro tem* to underwriters Morgan Grenfell and Bank, Mees and Hope, Conran keeps his eyes on the markets for reasons other than the immediate concern of the share issue. As I discovered when I asked him whether he felt in any danger of going out of style, if recession made the world a duller, harsher place while Habitat glowed on in its panoply of bright glazes.

"In the last recession," Conran explains, "almost everything was getting duller and more inward-looking. Last year, we decided things were going to be different: brighter, more cheerful. Our forecast was successful." Or, to put it in a nutshell, "just because the Stock Exchange is having a fit of the jitters does not mean that we are all going to be buying brown sofas."

New account

Nor was yesterday the most propitious time to launch a new book called "The Stock Market—A guide for the private investor." But stockbroker Neil Stapley soldiered bravely on above the din of crashing share prices to introduce his quick reference work telling you everything you were afraid to ask about reverse yield gaps and gross redemption yields. It might be argued that the sort of guide investors plunging into yesterday's market really needed was one of those clever alsatian dogs, but—well, things will pick up again in time, no doubt.

Daisy's chain

"I don't usually eat much," says Daisy Hyams, the woman who buys £1bn of groceries a year, "but I went right through the menu today." The managing director of Tesco (Wholesale) was back at her desk after a celebratory lunch to mark her 50 years with the supermarket.

Daisy Hyams: counter revolutionary

It was on September 28, 1931, the day the late Jack Cohen opened his first shop in Burnt Oak, London, that Miss Hyams started work as his first office girl. Over the half century since, she has played a major part in the group's expansion

By the time the 1939-45 War started, Miss Hyams was already proving one of the infant company's best assets. She was closely involved in Cohen's early ventures into farming, and in his canning, bottling and food-freezing enterprises. She helped organise a points ration scheme in Tesco's shops before the Government got round to introducing a general rationing system.

It was her skill and toughness as a buyer that was crucial to Tesco's pioneering development in this country of self-service stores and supermarkets after the war, and which has maintained the competitive edge of the group's 500 stores.

"It is still a very competitive and aggressive trade," she says, "for if money is tight, it is the housewife who looks for savings in the weekly food bill."

At the age of 68, Miss Hyams still works a full week as a director of Tesco's main board ensuring that the housewife's purse can be stretched as far as humanly possible—a policy that has doubled Tesco's share of the UK grocery market to 14 per cent since its Operation Checkout started a High Street price war in 1977.

"I have no hobbies," she says. "This is it." Modestly forgetting to mention the £400,000 that her efforts to mark the company's golden jubilee have raised for charity this year.

Odds and ends

Ron Pollard, the Labrokes man who specialises in making weird and wonderful books on anything from general election results to the probability of flying saucers landing on earth, has just done his number-crunching for the Booker McConnell Fiction prize.

Muriel Spark's "Loitering With Intent" is Pollard's 7-4 favourite, followed by D. M. Thomas's "The White Hotel," at 3-1. Ann Schlee's "Rhine Journey" and Doris Lessing's "Sirian Experiments" are outsiders at 10-1 each.

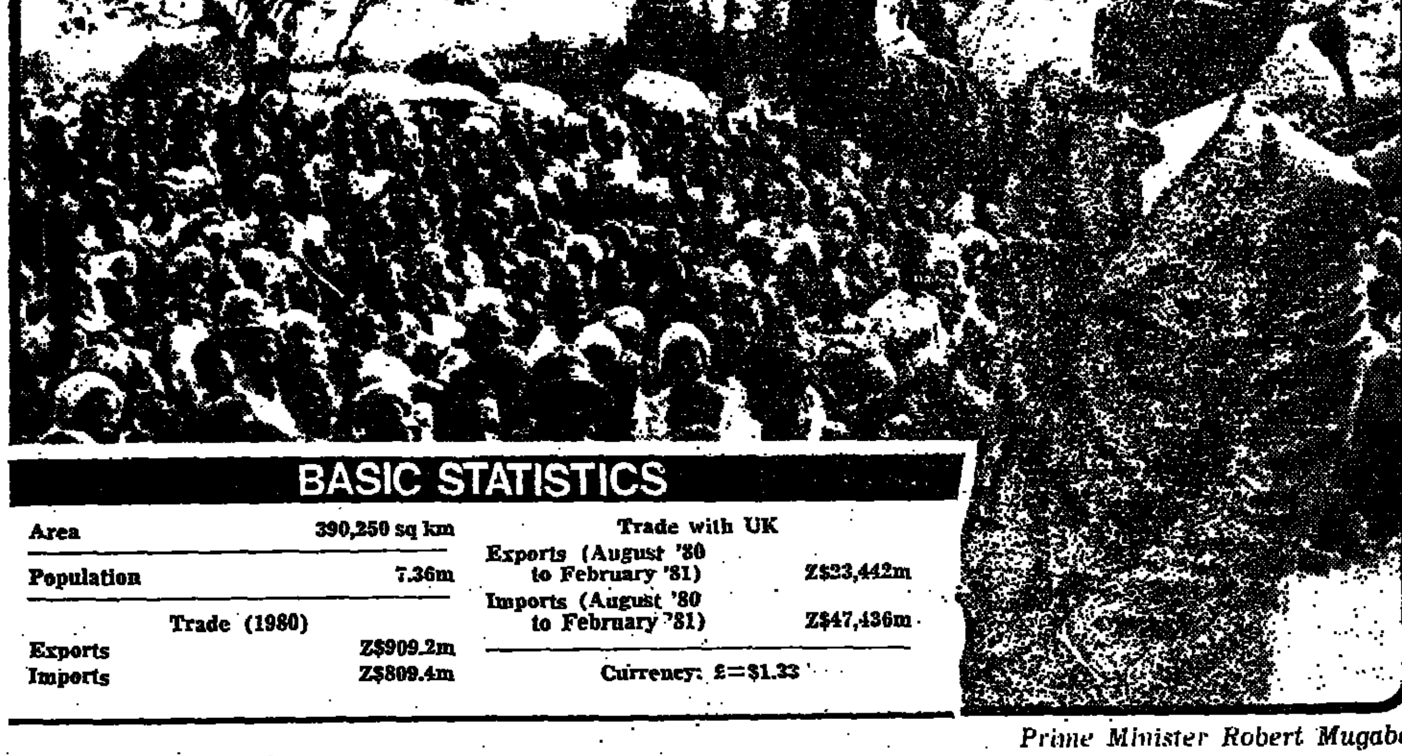
For punters seeking a higher risk/reward ratio, Ladbrokes currently stands to lose around £500,000 if alien beings land on earth between now and December 27. Most of the 500-1 betting comes from a Californian sect which claims to have a "stable tip" from the elders of 52 other planets that the landing is imminent — *though it should be* said they have been doing the same sort of thing for the past 10 years.

Observer

FINANCIAL TIMES SURVEY

ZIMBABWE

Nearly 18 months after independence, much has been achieved in a country once racked by a guerrilla war. But the year ahead will be challenging as the Government of Prime Minister Robert Mugabe grapples with problems of land resettlement, transport, shortage of skilled manpower and deteriorating relations with South Africa.



Prime Minister Robert Mugab

BASIC STATISTICS

Area	**390,250 sq km**
Population	**7.36m**
Trade (1980)	
Exports	**Z$909.2m**
Imports	**Z$809.4m**

Trade with UK	
Exports (August '80 to February '81)	**Z$23,442m**
Imports (August '80 to February '81)	**Z$47,436m**
Currency: £=$1.33	

CONTENTS

Time to tackle essential issues

By J. D. F. Jones

Southern Africa Correspondent

A RINGLEADER of Salisbury's pickpockets was interviewed recently by a local newspaper. "At the time of Independence, my gang stopped working," explained this Zimbabwean Fagin. "We thought that now that Zimbabwe was free the country was ours and there was no need to *steal*. We thought we could have all we wanted. But we soon learned that things were not as we had dreamed. So we started again!"

There, in a nutshell, is the dilemma of a state whose Independence is just 17 months old and whose citizens, *survivors of a savage and racial* civil war, are beginning to ask how long they have to wait for the radical, even revolutionary, changes that were promised by the victorious Zanu-PF Government led by Mr Robert Mugabe.

It would be unfair to expect Mr Mugabe's Government to have *transformed* Rhodesia into an utterly different Zimbabwe in the brief period since Independence Day on April 18 1980. Utopia is not available in a few months and the expectations of the 7m Africans have been adjusted *since* then, just as the fears of the 200,000 Whites have been partially soothed. This survey is therefore no more than a progress *report*: but it suggests that the next year will be as critical, and as difficult, as the last.

The positive achievements of Mr Mugabe's Government are considerable. There have been no war trials, no anti-White campaigns, no purge of "Rhodesians" in senior positions and no nationalisation of farms or industry. After a couple *of dangerous incidents* in Bulawayo, the two guerrilla armies of Zanla (Mr Mugabe's Zanu-PF forces) and Zipra (Mr Joshua Nkomo's Zapu) seem well on their way to an astonishingly harmonious integration into a national army under a newly-appointed White commander. *Security throughout* the country is remarkable: peace has returned; it takes an effort to recall the turbulence of the last days of White rule.

Looking back, the priority had to be the re-establishment of peace and order. Ministers explain that their first year was *dominated by these matters*. Now, with the country secure, "we can tackle the problems we wanted to deal with when we came to power"—problems which essentially are economic.

Granted, the Zanu-PF Government has found time to put through a collection of measures *central to its manifesto—free* primary education and health care, *higher minimum* wages, a start to land resettlement. Nevertheless, a number of areas deserve to be highlighted, not so much because they have yet become dramatic crisis points but because they are areas *where government policy should* be closely watched in the months ahead.

Impatience

For example, the slow pace of the land *resettlement* programme. Less than 1,200 families have been resettled, and there is a growing impatience, demonstrated by the fact that some *50,000* people are now squatting on commercial farms. Land has always been the single most important issue in Zimbabwe politics: the war was fought "for" land if it was fought for anything. One has to ask whether the present programme, in which Britain is the major *financial backer, can in the end* amount to more than a drop in the ocean, so large is the problem of Zimbabwe's land-hungry peasantry, discussed elsewhere in this survey.

To be fair, no one in Government denies that this is the central problem of the next few *years. There is much more disagreement* about the future of the Zanu-PF.

Mr Mugabe has recently taken to talking in public about the desirability of a one-party state. This is at first sight surprising because the right of political association is clearly "entrenched" in the Lancaster House constitution: it needs a *unanimous vote of the 100 MPs* in the Assembly to change the *constitution* in areas such as this and it is impossible to imagine agreement being given in the near future by the 20 MPs on the "White" electoral role—*all held by the Republican* Front, formerly the Rhodesian *Front of Mr Ian Smith and still* led by him.

But this talk of one-party states, which clearly owes much to Black African convention, is alarming not only to the Whites but also to the Black voters *represented by Mr Joshua* Nkomo's Patriotic Front (in other words, Zapu). It holds 20 of the 80 common roll seats.

Mr Nkomo has fallen on difficult times. He has made a valuable contribution to national harmony and reconciliation since Independence (his role was vital in *defusing* the military crisis in February), but he is now humiliated by being given nothing to do as minister without portfolio and he is at last beginning to challenge Mr Mugabe head-on. For instance, *he is in process of developing* a public indictment of the Government's land *policies* — where he may be on delicate ground because he and his party have been buying large acreages, he has spoken out against the idea of a Zanu one-party state, and he has particularly attacked the *establishment* of an army Fifth Brigade which is to be trained by a party of 106 North Koreans who arrived in Zimbabwe last month.

Mr Nkomo's point is that the Fifth Brigade is to be drawn *largely from the Zanla forces* (formerly Zanu-PF) and is *apparently* earmarked for "internal" duties — which Mr Nkomo may or may not be justified in seeing as sinister. The equally curious point about *this Fifth Brigade is that* presumably the Korean training will entail systems, armaments and communications which are incompatible with those of the rest of the army, which has been retrained by the British: it therefore promises to be an army outside the army.

Mr Mugabe's plans for his Fifth Brigade are not clear. But it seems likely that his talk of a one-party state is *simply dipping a toe in the* water—or perhaps responding to pressure from his own party. He is careful to insist that a one-party system can only follow a national consensus—he mentions a referendum—and it *may be his way of defusing a* delicate issue for the time being. What is dangerous is that the introduction of a single party, in contradiction to the entrenched clauses in the constitution, would be likely to *alarm* foreign opinion and foreign investment. It would *also add to the alarm of the* local Whites.

There is very little open anti-White sentiment in Zimbabwe today. Many Europeans, however, *are worried about their* future. For the civil servants, there may not have been a purge but career prospects are rapidly dimming as Blacks are promoted over their heads. *The* impact on White morale is easy *to imagine.*

Threatened

Pressure seems to be mounting in other ways: access to foreign exchange for holidays has been cut back; the traditionally high standard of White Rhodesian health and education seems threatened, on *top of the strict restrictions on* foreign funds that can be exported by emigrants has come a clampdown on the export of furniture, from deep freezers to lounge suites, so that the White emigrant leaves almost as a *refugee*—"in his *underpants*," as they say.

This does not mean that all 200,000 Whites are despondent: The *farmers are extremely* cheerful and most of them seem happy to stay on in Zimbabwe, *having enjoyed both the* Government's assurance that they are needed *and the* benefit of high prices this year, as well as the benefits of the transformed security situation (stock theft has returned to "normal" levels). Elsewhere there is no shortage of Whites who have *decided to commit themselves to* Zimbabwe, extreme examples being the scores who have gone as far as joining Zanu-Pf.

Nevertheless, the emigration figures must be heavily influenced by the restrictions on *the export of capital, many* Whites are suffering a problem *of cultural identity*. They cannot ignore the fact that, after 90 years of supremacy, they are politically irrelevant and economically vulnerable. Many are beginning to *feel* "unwanted" and even the most *tolerant liberal and pro-independence* sympathiser today often admits to a growing sense of frustration, alienation and exasperation. The "Rhodesian"

CONTINUED ON
NEXT PAGE

ADVERTISEMENT

Zimbabwe is now firmly set on the road to progress and prosperity – due to the diligence with which the Government has implemented its various programmes and also to the generosity of those countries which have offered material and moral aid.

The cornerstone around which this success story is being weaved is the three *'Rs' propounded by the Prime Minister*, Mr Robert Mugabe — reconstruction, rehabilitation and reconciliation.

Zimbabwe's reconstruction plans have three major objectives: to re-build the destruction caused by the war; to provide adequate accommodation for the increasing population and to cater for the leisure time and work requirements (nationally and internationally) of a developing country.

A Z$942 million five-year Government plan to overcome the housing shortage has been drawn up — an urgent necessity as the national backlog has been assessed at 60 000 units. Also about 100 000 existing houses throughout the country require electrification at an estimated cost of $30 million over the five year period. The programme is ambitious but the careful planning which has gone into it is ensuring success. For instance, the plan involves the construction of 167 000 houses at a cost of $771,5 million and in addition to this, the Govement intends to provide funds for home owners who wish to extend the low cost 'core' houses. These are houses onto which can be added extra rooms and facilities as a unit.

However all the development will not be in the domestic sphere. As a booming tourist and conference centre, Zimbabwe needs extra facilities to accommodate the influx of visitors. To this end, the Government *is to participate in two major hotel and conference* centre schemes in Salisbury. One of the schemes is to be for a 700 bedroom, five-star *hotel plus conference* centre to seat 5 000 people — as well as ancilliary services.

On the rehabilitation side the tasks are being dealt with just as enthusiastically — the task of resettling and rehabilitating a displaced population and reconstructing a war-torn economy. As part of the post-war recovery programme, refugees *within* the country have been returned to their homes from 29 of the so-called *"protected villages"* and various squatter camps. One of the more rewarding aspects of the programme was the return of 17 000 refugee *children from Mozambique* and Zambia to holding camps within this country and thence to their families.

The Govemment has been tackling the mammoth task of rebuilding the country with energy and enthusiasm, but with the advent of independence it was realised that assistance from the international community would be needed to get the programme off the ground. To this end, ZIMCORD, (Zimbabwe Conference on Reconstruction and Development) was convened in March 1981. Essentially there were five areas in which the international community was urged to aid Zimbabwe:

i) Land settlement and rural development;
ii) Repair and reconstruction of war damage;
iii) Resettlement of war refugees and war displaced people;
iv) Training and rehabilitation of former combatants;
v) Technical co-operation.

During the Conference more than 70 delegations comprising 267 members deliberated on these points. It was hoped by the Government that a figure of $1,2 billion would eventually be reached — however, once all aid — pre and post Conference — was totalled, the figure realised was a mammoth $1,28 billion.

Much of the driving force behind Zimbabwe's three 'R' concept is amply summed up in a policy statement made by the Minister of Economic Planning and Development, Dr Bernard Chidzero: "Government is determined to forge ahead with the task of building a progressive, non-racial and egalitarian society which draws on the energies and abilities of all its peoples, without regard for their race, colour or creed." This is exemplified by some of the statistics arising out of the programme:

a) The Government has settled most of the war refugees already and to them and other refugees has *provided food, shelter, land* and a basic means of sustenance for the intial year of independence;

b) The Government is planning a programme aimed at the acquisition of two million hectares of commercial farming land over a three year period for dryland resettlement;

c) *Low-interest, medium* and short term credit schemes are being planned;

d) Thousands of boreholes — essential in many areas of the country — have been brought back to use;

e) Already, 20 villages in the communal lands have had pumping plants installed to supply reticulated water;

f) A nationwide programme to rehabilitate former combatants who wish to return to civilian life has been launched. Each soldier wanting and allowed to demobilise will be paid a wage by the Government equating with the standard of living he was used to while in the National Army. This will be paid over two years while he or she is becoming established. The scheme also includes educational and vocational training.

The last of the three 'Rs' — reconciliation — has few statistics to present. Reconciliation is a state of mind rather than of fact. But from the successful integration of the armed forces to the relaxed social atmosphere throughout Zimbabwe, it is becoming increasingly *obvious that the adjuration by Mr Mugabe to work* together to make a success of the fledging state has *had a marked effect on all sections of the community.*

One of the more nebulous industries in Zimbabwe is that of tourism — also, to some, one of low priority. Bearing in mind the attention which has to be paid to the large proportion of non-tourist orientated Zimbabweans, this industry might well seem a strange bedfellow for the mundanities of tilling the soil or putting an extra bedroom on a dwelling. But this is not so. The foreign earnings from this industry are considerable and are an *integral* part of national economics. Tourism's recovery from wartime stagnation has *been remarkable. In 1980, income amounted to* $23 million. The target for this year is $45 million and, by 1986 it is anticipated that one million tourists will bring in $60 million. Confidence in both the country and the industry is evidenced by the decision of an hotel group to invest $7,5 million in renovation and expansion programmes.

From the nebulous to the ultra-pragmatic — mining. Endowed with a large variety of minerals, Zimbabwe has proven an irresitable magnet for world invetment.

Mining is on the up-and-up. During 1980, more than 5 000 ordinary prospecting licences were issued compared with slightly more than 1 000 in 1979. Since independence, 44 exclusive prospecting orders have been granted compared with 22 in 1979 and 6 in 1978. These exploration and prospecting activities will expand the country's mineral information base and it is hoped that they will result in the discovery of strategic mineral deposits such as uranium.

As many countries have found, a viable environment for investment in mining exists in Zimbabwe. In contrast to many other countries, the acquisition of prospecting and mining rights under existing mining laws are straightforward and are, in themselves, an inducement to outside investors who wish to examine and exploit the country's mineral wealth.

But industry needs power. And the high increase in the demand for it will be provided by two sources. Electrical power will be catered for by the construction of a $900 million thermal power station at Wankie; the fuel requirements by the expansion of ethanol production. In the longer term, Zimbabwe's high sunshine ratio could lead to the viable harnessing of solar energy.

The Electricity Supply Commission's new coal-fired power station, scheduled to come into operation in 1983, is vital in ensuring that the country is self sufficient.

On the fuel aspect, the first ethanol plant in the country, costing $4 million, was opened in September last year by the *Prime Minister. Initial scepticism quickly* evaporated as *motorists* found no complaint with the fuel blend of *petroleum* and ethanol. Interest in a second plant was expressed by a British company, Dashwood Finance Company Ltd., in June this year. The entire project is to cost US$1 500 million to be completed over a five-year *period. The first stage,* costing US$300 would be the biggest project by a single private company since Zimbabwe gained independence.

Transport too, has had a boom. Air Zimbabwe, the national airline, has had its facilities increased by a further three Boeing 707s and links have been opened with London, Frankfurt and Nairobi. Other connections are in the pipeline, including a third European centre.

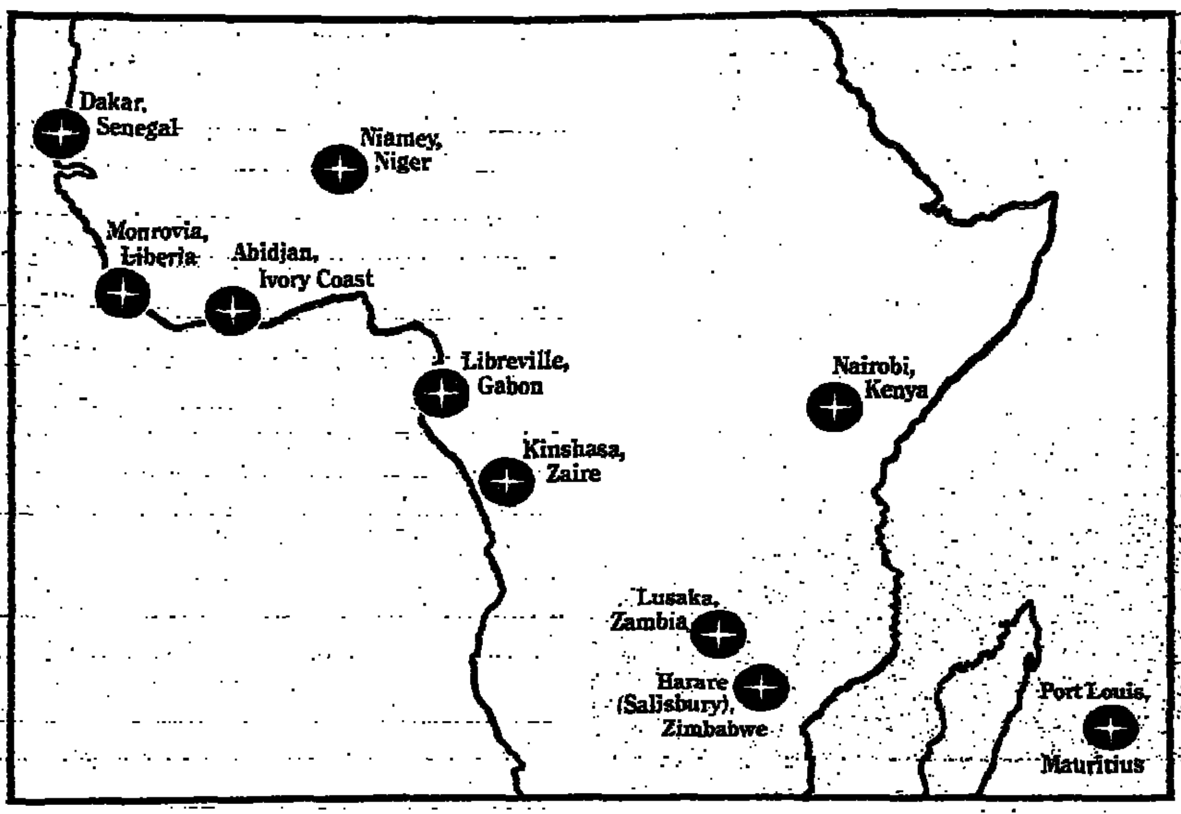
But the internal structure of the system of transport is just as important. The National Railways of Zimbabwe are a vital link; not only with neighbouring countries but within the nation. A milestone in the scheme to improve efficiency and to cater for anticipated requirements was reached in September of this year when work was begun on construction for electrification of the Salisbury-Gwelo line. It marked the culmination of two decades of *effort and planning. The contract involves 475, single-*track kilometres to be electrified. The contract was *awarded to a British firm.*

The NRZ's current capital budget and development programme, over the next six years, envisages expenditure of about Z$332,5 million of which Z$216,7 million is to cover stages one and two of the main line electrification programme. This includes the cost of locomotives.

The picture is incomplete. There are areas of endeavour in the nation's re-building programme which have not been explored. But the general picture emerges. That of a nation which has the potential and the *wherewithall — both materially* and *within the* population to work together, to produce the environ*ment for effort, individual and collective;* national and international.

The ground in Zimbabwe is fallow. All it needs is the tilling, sowing and reaping to prove it is the fastest growing and most progressive country on the continent.

Inserted by the Department of Information



Connections sour as Mugabe seeks best of both worlds

FOREIGN AFFAIRS

J. D. F. JONES

IT IS NOT so many years since the road running north from Beit Bridge was lined with signs reading "Dankie Suid Afrika" — the grateful Rhodesian response to South Africa was its invaluable help in frustrating the international sanctions campaign. Then came the years when the same road was a dangerous dash, under military convoy, through the guerrilla-occupied Lowveld. Today Beit Bridge is the front line between Black and White-ruled Africa, and Zimbabwe's foreign policy is dominated by its relationship with the Republic.

Zimbabwe's relations with South Africa have deteriorated rapidly in the past three months. The problem is, on the one hand, that the South African Government seems to have convinced itself that Mr Mugabe and his Government are a bad thing and, on the other, that the Zimbabweans are trying to have the best of two worlds, verbal abuse and practical co-existence.

Thus, in June Mr Mugabe can say that "Our view is that we should restrict our hostilities to what is political. We hope that South Africa will also recognise that we have left an area where relations can be harmonious — that is, the economic and trade areas. . ."

He therefore feels able to make speeches about "the enemy down south" while his Government is angered that Pretoria has recently started acting precisely as enemies act—for instance, the 17 year old preferential trade agreement has been annulled from next year, to the potential detriment of Zimbabwe's industries, especially textiles, clothing, radio assembly, footwear and furniture; the residence permits of Zimbabweans working in the Republic are not to be renewed (affecting 20,000 people, excluding the larger number of illegal workers); locomotives on loan to Zimbabwe have been withdrawn (to the serious inconvenience of the country's transport system); and visas are now required by nationals of both countries (to the potential harm of the Zimbabwean tourist industry). In all these cases, ministers accuse each other's government of responsibility for the breakdown.

One difficulty is that the Zimbabwean Government has resolved to have no "political or diplomatic" contact with Pretoria, merely trade or economic. In consequences, the Zimbabweans will not send a minister to South Africa even to sort out urgent problems for fear that they would look like eating humble pie. This sort of deadlock can only get worse, and the South Africans evidently have the whip hand at present.

The Zimbabweans are not surprised by the problems. In the words of the deputy foreign minister, Mr Simbarashe Mumbengegwi, "We were faced with a situation where Zimbabwe was independent from April 1980 and yet in fact was the fifth province of South Africa — a country whose aspirations and policies were diametrically opposed to our own . . . It had been convenient for South Africa to have a client state here, and so they were very unhappy to have the client-state relationship untangled . . ."

The conclusion Zimbabweans have drawn from the past 12 months is that the South Africans are determined to destabilise their country on the grounds that a successful Zimbabwe would "give the lie" to South Africa's ideology. In addition to the damaging measures listed above, ministers and officials cite various military happenings, such as the theft of important weaponry from a Salisbury barracks, assorted explosions, and the assassination of a prominent African National Congress leader based in Salisbury.

Salisbury also claims that the South Africans are training "auxiliaries" of Bishop Muzorewa's UANC in the Northern Transvaal for infiltration back into Zimbabwe. This allegation, hotly denied by the Bishop, is qualified substantially on cross-examination.

More seriously, the Zimbabweans are aware that the Mozambique Resistance Movement (MRM) is gaining ground in neighbouring Mozambique. This movement might well be in a position to threaten the vital oil pipeline from Beira to Umtali that is to be reopened before the end of this year and is planned to carry all Zimbabwe's oil imports (which presently pass through South Africa—hence accusations of blame for the shortage of diesel and petrol).

Zimbabwe's potential dependence on the pipeline gives a disproportionate importance to the security situation in Mozambique. Mr Mugabe may yet send his (large and bored) army into Mozambique, at the Frelimo Government's invitation, to help defend the pumping stations. The contrary view is that the MRM, despite its South African friends, would not risk antagonising Black Africa by being seen to damage Mr Mugabe's Government and thus to reinforce its dependence on the South African rail and road system.

The question persists: is South Africa destabilising Zimbabwe, or might it wish to do so? The answer may be that the White Man speaks not so much with forked tongue as with different tongues, and that there are different opinions among Pretoria's policy-makers. Thus, Mr Ray Killen, deputy director-general of the department of foreign affairs, told a conference earlier this month, "We are primarily concerned with stability in this part of the world. It is not in our interests to see a deterioration . . . We wish to see these states succeed." (At that very moment, South African troops were still inside Angola.) The Zimbabweans remain unconvinced, and South Africa's actions in recent weeks are certainly not seen as benevolent and helpful.

An important part of Salisbury's response has been its commitment to the SADCC—the Southern African Development Co-ordination Conference. This regional grouping, conceived in 1979, brings together nine Black states — Zimbabwe, Zambia, Mozambique, Malawi, Botswana, Lesotho, Swaziland and Tanzania —in an attempt to develop regional self-reliance amongst 60m people, and also to reduce the region's dependence on South Africa.

The independence of Zimbabwe was vital, since the Zimbabwean economy is central to the grouping's prospects. The South Africans have not concealed their irritation that SADCC has dealt a major blow to the future of their own "constellation of states" which was intended to help legitimise their Bantustan tribal homelands.

SADCC, however, deserves to be seen as far more than an anti-South African operation. Its progress has been steady and modest rather than dramatic. The emphasis has been on transport and communications between members (which are not only inadequate to the needs of the region but are also designed historically to foster South Africa's regional dominance). But the organisation is realistic: it accepts the existing dependence on South Africa, and Zimbabwe's inability to sever links with the south in any dramatic way is better understood by SADCC than by the UN or the Organisation of African Unity.

The Zimbabwean role vis-a-vis Namibia is strictly in line with its new membership of the group of "front-line states." The delicate questions relate rather to the attitude to the South African liberation movement, such as the ANC. The Government's position has so far been straightforward: it admits its inability to invite the reprisals that South Africa has made clear would follow if it allowed its territory to be used for ANC bases. There has been an unofficial "office" in Salisbury for some time, and an ANC leader was recently assassinated. Everyone in Salisbury assumes that the South Africans were responsible.

Meanwhile, Zimbabwe has been slow to build up its diplomatic representation overseas, in contrast with the rush of foreign governments to open embassies in Salisbury. There are 11 Zimbabwean missions abroad—and curiously, in view of the suggestion in some quarters that Zimbabwe is "pro-Communist," Zimbabwe has no embassy yet in Moscow, Peking or Pyongyang.

Essential issues

CONTINUED FROM PREVIOUS PAGE

is well on the way to becoming a mere expatriate whose role is no longer that of the committed citizen but that of the salaried transient.

The January-May 1981 emigration figures show a net loss of 9,000 which is likely to be an underestimate of the true departures. Some experts believe that over the next few years the White population will decline from the Independence level of 220,000 to 120-150,000. None of which is to deny that Black-White relations are still far better than in most African countries and show no sign of serious deterioration.

Part of the Whites' concern for the future stems from the sense that the decision-making process is under extreme pressure. Thus, there is confusion about the extent to which the apparatus of the ruling Zanu-Pf is producing effective policy, and its relationship with the Cabinet. Mr Mugabe has been touring the country this month, presumably as part of an overhaul of the party machine.

But the party, built up in order to fight a civil war, has experienced difficulty in developing an effective peacetime structure and role. The policy-making relationship between the Central Committee of the party and the national Cabinet remains obscure: the party evidently manages to contain a range of opinion, from "Marxist" to traditional nationalist, and also brings together "external" and "internal" wings—those who led the war from outside (and were thereby often radicalised) and those who stayed (and often suffered) at home.

The recent dismissal of the populist Mr Edgar Tekere as secretary-general and his effective replacement by the Prime Minister will presumably bring the party closer to government in due course. Certainly there seems to be an element of disarray in Zanu-PF policy-making which directly affects basic issues such as the country's attitude towards foreign investment and the extent of its commitment to a mixed economy. Behind all this lies the ethnic division between the Shona majority, by and large in Zanu, and the Ndebele minority, still represented overwhelmingly by Mr Nkomo's Zapu. Meanwhile the UANC of the unlamented ex-premier, Bishop Muzorewa, sinks rapidly into oblivion.

In parallel, there is also concern about the strain on the administrative capacities available to the country. The exodus of so many Whites and the forced promotion of so many Blacks have inevitably affected the bureaucratic resources of a country which prided itself on the quality of its administration. The army administration is also showing signs of strain where the upkeep of a peacetime standing force of 60,000-plus has never before been undertaken by either the "Rhodesian" or the guerrilla armies.

This same factor is only partly to blame for the most immediate problem—the serious inability of the transport system to cope with record agricultural exports. This bottleneck (which is discussed elsewhere) is a culmination of three factors: the shortage of skilled artisans (the Government is trying to import Indians, Pakistanis and British), the wearing down of the rolling stock after 15 years of sanctions, and the unhelpful attitude of the South Africans, who have insisted on withdrawing valuable locomotives. The consequence: of a record 1.5m tonnes of maize available for export, less than one-third can be moved by next March.

South Africa is bound to be the main preoccupation of Mr Mugabe's Government. The antipathy is mutual. The South Africans (unlike the Western governments, who rapidly adjusted to a Zanu victory which had come as a surprise to them) continue to be appalled at the emergence of Mr Mugabe on their borders (as a combined Marxist and Roman Catholic, he is seen by the Calvinist Afrikaners as the anti Christ).

Yet Mr Mugabe, realistic in his public admission that Zimbabwe cannot afford a direct confrontation with the Republic, either in supporting international sanctions or in offering bases for African National Congress guerrillas, does not seem to appreciate that constant verbal abuse from Salisbury (the Voice of Zimbabwe is instructed to insert the adjective "racist" before references to South Africa in its news bulletins) is a provocation which encourages South Africa's instinctive application of measures damaging to Zimbabwe.

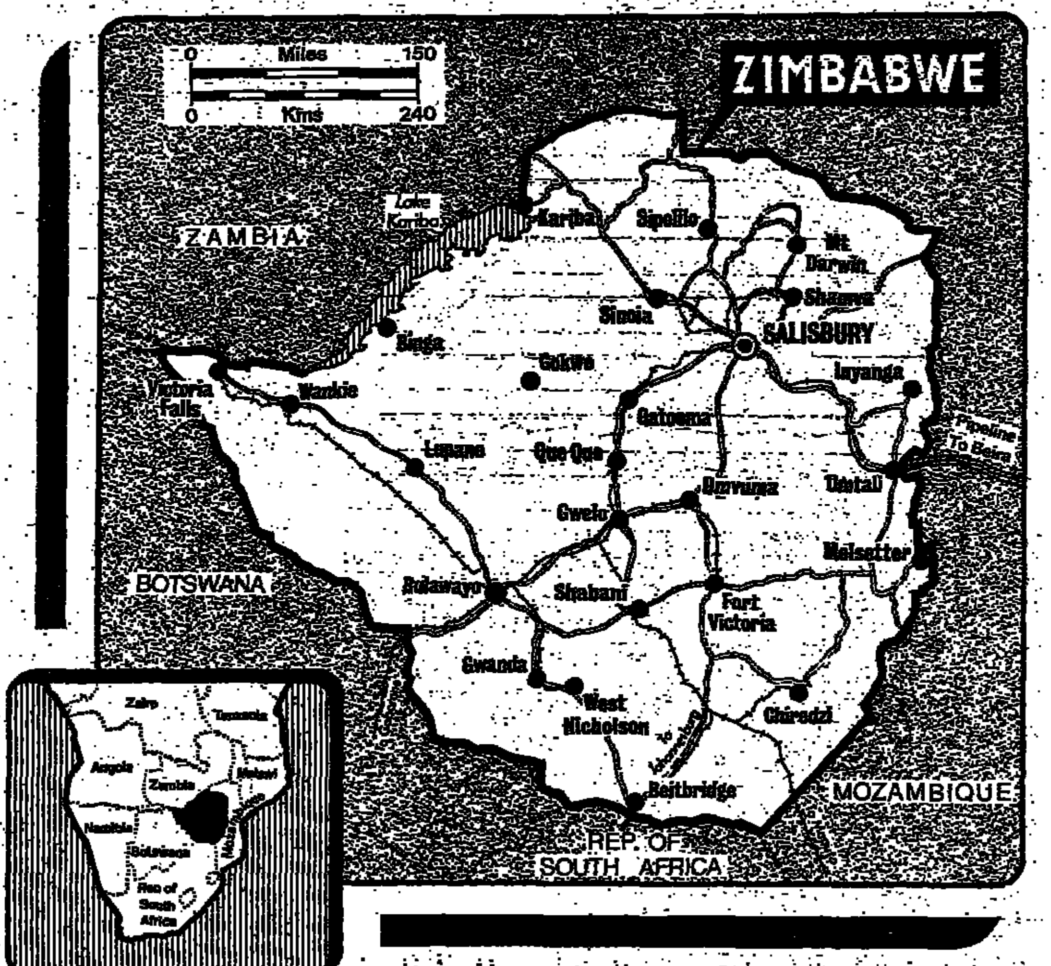
"Our victory in Zimbabwe can only have full meaning and significance if Namibia and South Africa are freed" declares Mr Mugabe. Fair enough—but this sort of public attitude makes it easier for Pretoria to introduce the recent range of measures, from withholding locomotives to annulling the preferential trade agreement, from cancelling the contracts of Zimbabwe workers to requiring tourist visas. The Zimbabweans are convinced that South Africa is determined to "destabilise" their country. The South Africans protest their innocence but do not conceal their distaste for Mr Mugabe and for his Government.

The essence of this relationship between neighbours is whether or not South Africa decides that it could ever tolerate a successful, prosperous and multiracial Zimbabwe on its borders. It is too soon to see the answer, but the omens are not encouraging.

Finally, it remains to be seen whether the Zanu-PF Government will sustain the pragmatism it has shown in other fields and maintain the public commitment to a mixed economy which helped make a success of the Zimcord aid-pledging conference earlier this year. When Mr Mugabe is out on the stump in the *bundu*, he still tends to refer to the multinationals as "the enemy;" when he is sitting in his Salisbury office, his tune is less hostile.

The attitude of the party towards foreign investment—indeed, the whole economic policy of the party—remains surprisingly vague or obscure. This may help explain the hesitation of the international financial community to commit itself more enthusiastically to a country which is among the best-endowed in the Third World. More specific government pledges on issues such as repatriation of profits would no doubt help.

But there, above all, Mr Mugabe must be understood to be walking a tightrope. On the one hand, if he brings in a full-blooded radical, not to say "Marxist," programme, he risks alienating the European skills and capital, both domestic and international, the country continues to need; on the other, a cautious and pragmatic programme risks failing to satisfy the long-frustrated aspirations of Black Zimbabweans. The same tension is likely to become more, not less difficult, in the coming year.



Boom slows as constraints start to bite

ECONOMY

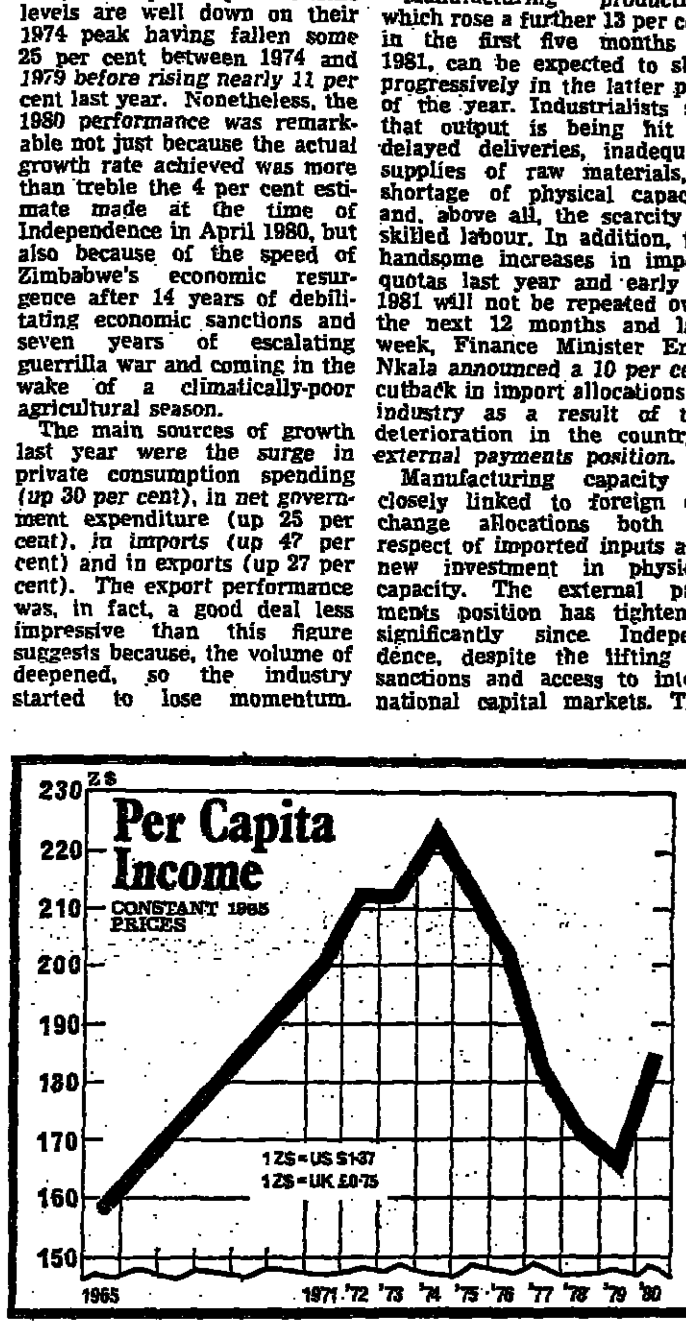
TONY HAWKINS
Salisbury Correspondent

AFTER A quite remarkable post-independence boom last year when real Gross National Product increased 14 per cent, the Zimbabwe economy is slowing in the second half of 1981 as the foreign exchange, transport and skilled labour constraints start to bite. Recently-published figures estimate GNP growth (at current prices) in 1980 at more than 23 per cent with inflation of 8.2 per cent on the GNP deflator.

It was the first time since 1974 that there had been any positive real growth in the economy and by the end of last year virtually all the substantial real income loss (amounting to some 12.5 per cent) incurred during the last five years of sanctions and war had been recouped with the result that GNP at constant 1965 prices was almost back to its peak 1974 levels.

Of course, given the 3.6 per cent a year population growth rate, real per capita income levels are well down on their 1974 peak having fallen some 25 per cent between 1974 and 1979 before rising nearly 11 per cent last year. Nonetheless, the 1980 performance was remarkable not just because the actual growth rate achieved was more than treble the 4 per cent estimate made at the time of Independence in April 1980, but also because of the speed of Zimbabwe's economic resurgence after 14 years of debilitating economic sanctions and seven years of escalating guerrilla war and coming in the wake of a climatically-poor agricultural season.

The main sources of growth last year were the surge in private consumption spending (up 30 per cent), in net government expenditure (up 25 per cent), in imports (up 47 per cent) and in exports (up 27 per cent). The export performance was, in fact, a good deal less impressive than this figure suggests because, the volume of exports actually declined some 5 per cent to the lowest level recorded since 1971, but export prices rose 32.5 per cent and it was this favourable terms of trade effect that helped finance the strong 38 per cent increase in import volumes.



Fuelled by the explosion in consumer spending on the one hand and the substantial increase in import allocations on the other, manufacturing production rose 29 per cent in values and 14.8 per cent in volume.

Agriculture's performance was the most surprising in that, a year ago, officials were forecasting a fall in farm output following the severe drought in the 1979-80 growing season and the depressed tobacco prices paid on the auction floors last year for the large crop of poor quality leaf. But; contrary to expectations, maize deliveries rose 60 per cent in volume and more than doubled in value while the value of sugar production — boosted by buoyant world market prices—increased 129 per cent. Despite the 19 per cent fall-off in cattle slaughterings, agriculture's contribution to GDP increased 30 per cent — the first material such growth since 1974.

The mining industry was swept along on the shoulders of the buoyant bullion price for much of the year but as precious metal prices waned and as the OECD recession deepened, so the industry started to lose momentum. Despite this, production was up 32 per cent in value, though in volume terms production was at a seven-year low and more than 70 per cent of the industry's growth came from higher gold and silver prices.

This year, the current prices growth rate of the economy is unlikely to be materially different from last year's 23 per cent and could well be a shade higher. However, the inflation rate is going to be at least double last year's 8 per cent with the result that the real growth rate will be halved to around 7 per cent.

The main thrust is coming from agriculture, supported by the continued boom in consumer spending and rapidly-increasing government expenditure. Following the combination of a superb rainy season in 1980-81 and the government decision a year ago to raise the maize price by one-third to Z$120 a tonne, total maize production is expected to increase 170 per cent in value while buoyant tobacco prices will ensure a 30 per cent increase in the value of flue-cured leaf sale. Agriculture's growth rate should comfortably exceed last year's 35 per cent.

Manufacturing production, which rose a further 13 per cent in the first five months of 1981, can be expected to slow progressively in the latter part of the year. Industrialists say that output is being hit by delayed deliveries, inadequate supplies of raw materials, a shortage of physical capacity and, above all, the scarcity of skilled labour. In addition, the handsome increases in import quotas last year and early in 1981 will not be repeated over the next 12 months and last week, Finance Minister Enos Nkala announced a 10 per cent cutback in import allocations to industry as a result of the deterioration in the country's external payments position.

Manufacturing capacity is closely linked to foreign exchange allocations both in respect of imported inputs and new investment in physical capacity. The external payments position has tightened significantly since Independence, despite the lifting of sanctions and access to international capital markets. The main reason for this is the deliberate policy of allowing imports to rise faster than exports to maintain a high rate of economic expansion.

As a result, the current account deficit doubled last year to Z$165m from Z$77m previously. There was a capital account surplus of some Z$84m, entirely attributable to private sector borrowing and inflows of Z$135m leaving an overall deficit of some Z$81m compared with a surplus of Z$100m the previous year.

Tightened

Despite a further 28 per cent improvement in the terms of trade in the first four months of 1981, the payments position has tightened further with the country's officially-held foreign reserves tumbling from a post-independence peak of Z$212m last October to Z$147m at the end of August.

In the same four months Zimbabwe held a visible trade deficit of Z$27m as against a surplus of Z$89m in the comparable period last year and it seems probable that the country will have a trade deficit in 1981 compared with last year's Z$69m surplus. One obvious reason for this is the fall in the gold price and the Zimbabwean decision to withhold gold from export markets pending an improvement in the price. In the first four months of this year gold sales totalled only Z$13m as against Z$70m in the comparable period last year.

Good rains and raised producer prices resulted in a bumper maize crop, but transport bottlenecks mean that 1m tonnes must be stockpiled

A second reason is the congestion on the railways, while the high level of domestic demand has undoubtedly diverted production of consumer goods away from export markets. Depressed international commodity markets, especially for minerals, are also having a material impact on export performance this year.

On the positive side, tobacco exports this year are likely to exceed Z$160m (Z$118m last year) while maize earnings will rise from a mere Z$7.4m to at least Z$45m.

But these are the only two of the country's major exports (maize was barely exported at all last year following the bad farming season) likely to show any significant growth. Imports are currently running at Z$75m a month—up 12 per cent on 1980—while exports are averaging Z$70m monthly, which is 14 per cent below last year.

Trade figures highlight the continuing emphasis on traditional links—namely those with South Africa, the contiguous African states, the EEC, the U.S. and Japan.

PERCENTAGE CONTRIBUTIONS TO GROSS DOMESTIC PRODUCT AND EXPENDITURE 1980

Agriculture	13%
Mining	8.5%
Manufacturing	26%
Distribution/hotels	12.7%
Public Administration	10.5%
Transport and communications	7.3%
Finance/Insurance	4.5%
Construction	3.1%
	Expenditure
Consumption	63%
Government Spending	22%
Investment	12%

South Africa is far and away the chief trading partner supplying 26 per cent of total imports (excluding oil) and buying 20.5 per cent of exports (excluding gold). Britain is in second place with 9 per cent of imports and 9.5 per cent of Zimbabwe's exports followed by West Germany with 6.6 per cent of imports and 10.4 of exports.

The significance of regional trade is evident in the 9 per cent share of Zimbabwe's exports sold to Zaire, Zambia, Malawi and Botswana and the 6.4 per cent of imports coming from those countries (and Mozambique)—the most important single such import being electricity from Zambia.

The trade figures for South Africa exclude diesel and other fuels of unknown origin railed to Zimbabwe, and to that extent understate the importance of trade and transport links with the south. In the medium term, these links will diminish in importance. Pretoria itself has already taken the initiative in terminating the 1964 trade agreement between the two countries with effect from next year. This is bound to have a very adverse impact on exports of furniture, clothing, textiles, footwear and radios.

Given the history of the liberation movement, it is hardly surprising that there should be pressure for an increase in trade with non-aligned countries and the centrally planned economies. China bought nearly 4 per cent of Zimbabwe's exports in the nine-month period, but this refers very largely to a major purchase of tobacco late last year following the failure of the Chinese crop. Russia was in the market last year for more than Z$6m worth of sugar but well over 70 per cent of Zimbabwe's trade is with the OECD countries, and neighbouring states. That said, there is concern in some business quarters that government might move to direct trade towards friendly states.

The official view is that after a difficult year in 1981, exports should pick up with the OECD economy next year, but clearly the balance of payments will continue to constrain growth and add to inflationary pressures as excessive domestic demand bids up prices against a background of production constraints. The balance of payments has been used in the past year to ease inflationary pressures—by increasing imports and by running down the reserves and thereby slowing the growth rate of the money supply.

Zimbabwe's officially held foreign reserves tumbled from a post-independence peak of Z$212m last October to Z$147m at the end of August, which is less than two months' imports cover. The way ahead, according to some businessmen and diplomats is to borrow heavily in international markets to ease the external payments bottleneck.

The successful Zimcord Conference in March this year raised a total of Z$1.3bn in aid funds to be used over the next three to four years, but these funds are largely earmarked for rural development and other public sector programmes with the result that the foreign exchange inflow available for the private sector is unlikely to be anything like large enough to meet essential demands, not least for the replacement of ageing and obsolete capital equipment in all sectors of the economy.

Recently, Finance Minister Enos Nkala sounded a warning to those who believe that Zimbabwe can borrow itself out of its foreign payments straightjacket. Although he gave no figures, he warned that given the "gloomy" world economic outlook, Zimbabwe should not, in his view, allow its debt-service ratio to exceed 12.5 per cent. Foreign debt over the next few years, and particularly the 1984 to 1986 period, already represented "certain problems" and the country was in respect of these years in particular "already approaching the point where new debt cannot be contracted." Accordingly, all future external borrowings must have a grace period of at least five years (to beyond 1986), if not longer.

"The most recent published figures show Zimbabwe's official external debt at Z$ 413m—up only Z$ 40m since Independence. No debt-service ratio figures are published, but the World Bank estimated the ratio at 7 per cent at the end of 1979, since when it is believed to have risen to around 12 per cent, chiefly as a result of commitments for the railways, new aircraft for Air Zimbabwe and Wankie thermal power station. These commitments are particularly heavy over the 1981-86 period which suggests that foreign borrowing is not going to provide sufficient foreign exchange to materially loosen the external payments constraint in the first half of the 1980s."

On the policy front, the publication early this year of the economic policy white paper "Growth With Equity" has—possibly inevitably — attracted criticism from the business sector that there is increasingly undue emphasis on equity and not sufficient emphasis on growth. Indeed, World Bank advisers have stressed the dangers of pursuing a labour policy focusing on the distributional rather than employment effects of wage policy.

The disappointing 2.6 per cent employment growth last year, which accompanied the introduction of increased wage minima, underlines the need for proceeding cautiously. The Riddell Commisison of Inquiry into Incomes, Prices and Conditions of Service, recently recommended that wage minima be phased upwards over a period of three years to bring minimum wages by mid-1984 to 90 per cent of the Poverty Datum Line for each major sector. The report is still being considered by government. Private sector reaction has been relatively favourable though there is concern at the potentially-inflationary implications of such a strategy.

Dilemma

It has been calculated that given 15 per cent inflation—which may be on the low side—such a wage policy would imply industrial wage minima being raised by 30 per cent a year over the next three years while farm wages would have to rise at some 60 per cent a year. In a country with population growing at 3.6 per cent a year and upwards of 100,000 job-seekers coming into the market each year, policies designed to foster rapid employment growth, or to keep people on the land by making more land available, are vital. The Mugabe Government faces a very difficult policy dilemma here.

On another front—budgetary policy—the signs are very encouraging. The July 1981 budget was both fiscally responsible and politically courageous. Minister Nkala, looked into a position of rapid expenditure growth (government spending will rise more than 37 per cent this year) budgeted to increase revenue from taxes by 42 per cent. Despite this there was still a small increase in the budget deficit which in 1981 will constitute nearly 11 per cent of GDP as against 9 per cent last year. This is too high for comfort and the Government is committed to reducing this ratio.

Senator Nkala's promise substantially to reduce—if not phase out altogether—subsidies which this year absorb 8 per cent of total spending was courageous given the fact that lower subsidies must mean higher food prices next year, if not sooner.

The year-on-year inflation rate was brought down—largely by deliberate government policies in the first six month of the Mugabe administration. Lower sales taxation, free primary education, free health facilities for low income groups—all helped to slow inflation from 13.7 per cent in late 1979 to 6.6 per cent in August last year. But by mid-1981 the inflation rate had more than doubled to 15.3 per cent and, once the higher consumption taxes imposed in the budget start to show in the price figures, the inflation rate will move close to 20 per cent (on a year-ago basis).

Next year, inflationary pressures must remain strong and the Government is having to adopt an increasingly tougher stance (increased taxes, credit restraint and higher interest rates) to try to bring inflation to heel and bolster the external payments position.

The most optimistic forecasts suggest that Zimbabwe will have to live with inflation of 15 per cent a year—at the least—in the early 1980s and 20 per cent could turn out to be a more realistic figure for 1982-83.

Economic achievements in the first 18 months of independence have been impressive indeed, but as impact of certain "one-off" factors—such as the major improvement in the terms of trade following the lifting of sanctions—start to wane, so the going is getting tougher.

DIRECTION OF TRADE

August-December 1980 and January-April 1981

Country/per cent share	Exports %	Impor %
South Africa	20.5	26
UK	9.5	9
West Germany	10.4	6.6
U.S.	3.5	8
Other EEC (Italy, France, Netherlands, Belgium)	13.3	7
Japan	2.6	5.5
Neighbouring States (Botswana, Zambia, Zaire, Mozambique, Malawi)	9	6.4

BALANCE OF PAYMENTS

Z$m

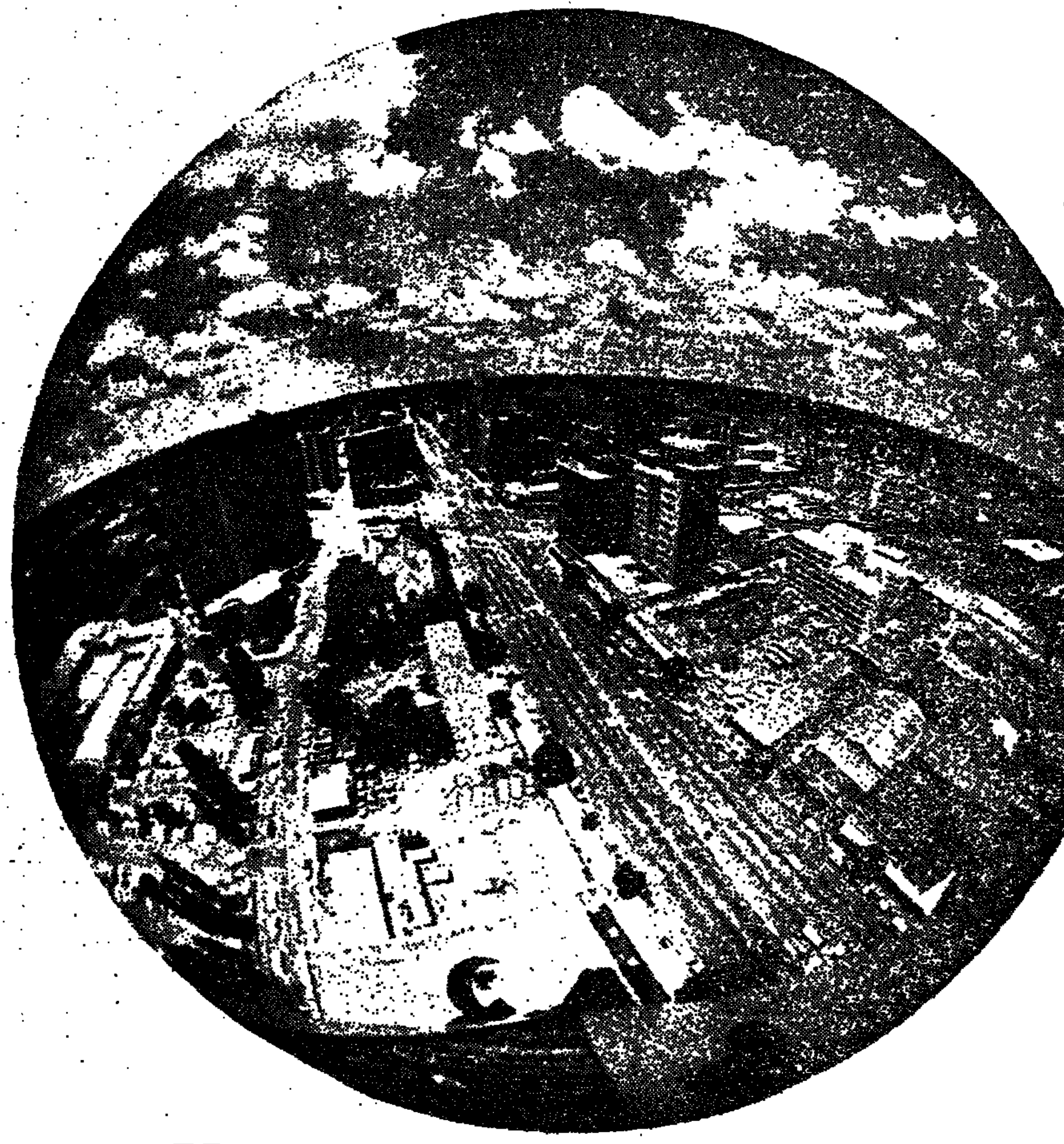
	1980 Z$m	1979 Z$m
Exports of merchandise	814	667
Gold sales	115	67
Service receipts	83	45
Investment income	75	42
Merchandise imports	−839	−595
Service payments	−215	−147
Investment income payments	− 86	− 68
Net transfers	− 89	− 84
CURRENT ACCOUNT BALANCE	−172	− 73
Capital movements: Central Government	− 22	+118
Other public authorities	− 3	− 6
Private capital	+115	+ 61
OVERALL BALANCE (capital and current accounts)	− 81	+100

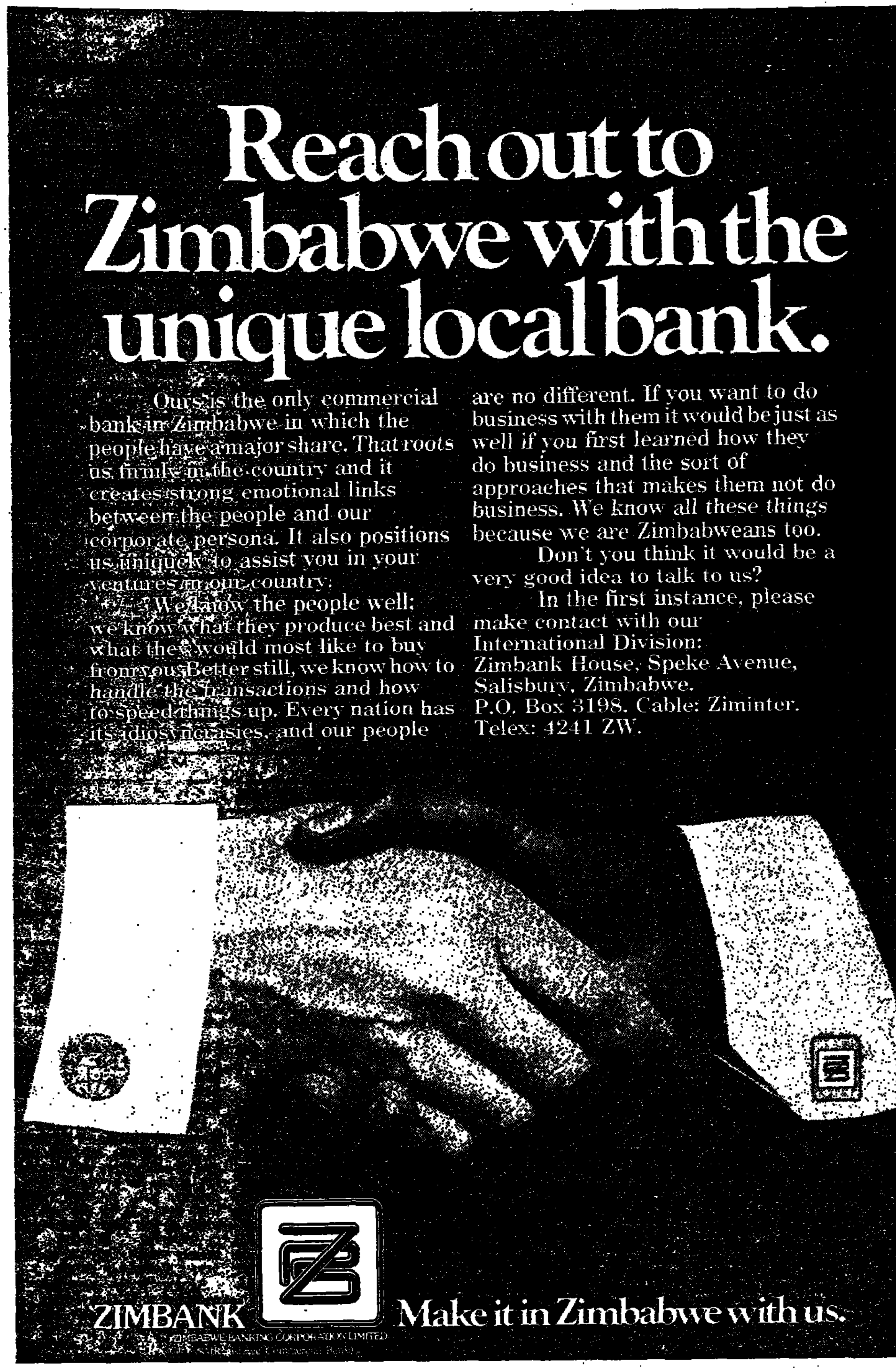
Despite this, the economy should still manage a respectable real growth rate averaging 6 per cent to 7 per cent in the first half of the 1980s. Much will depend on the new policy initiatives currently under consideration in respect of wages, prices, subsidies, the minerals marketing agency, land and the ownership and control of private industry. Much too will depend on developments within South Africa itself and how far Zimbabwe is drawn, or forced, into the coming conflagration.

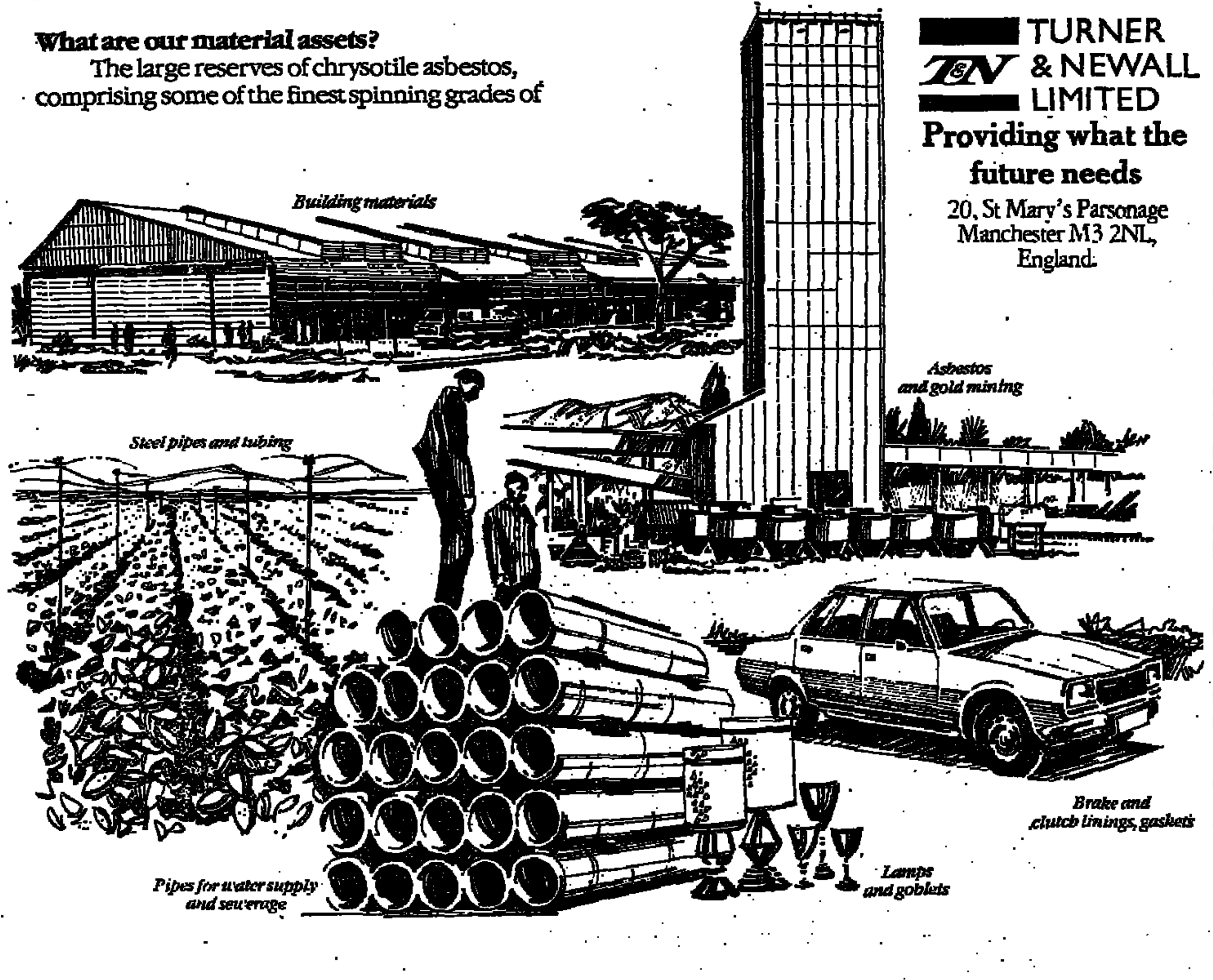
Above all, as Mr Mugabe's recent speeches at party rallies around Zimbabwe have clearly demonstrated, the crisis of expectations is an ever-present problem as the people demar more land, more and bett jobs, higher wages, mor houses, school places ar hospital beds.

Many such aspirations a simply impossible of fulfilmen at least in the medium ter and the economic policy-make are going to have to tread delicate path between meetir such demands on the one ha while at the same time keepi government spending, t money supply, inflation and co sumer demand in check.

That said, the outlook for t economy with 6 per cent or per cent real growth this ye and next is far happier th that of many developi countries especially in su Saharan Africa.







Squatter families take law into their own hands

LAND

MICHAEL HOLMAN
Central Africa Correspondent

"PAMBERI NE GOMBO," declare the 1,000 squatters on Kasimure Farm near Karoi in Zimbabwe's agricultural heartland. "Forward with claiming new land!"

It's a deliberate echo of the slogan which was heard throughout the seven year war of independence, rallying the supporters of Prime Minister Robert Mugabe: "Pamberi ne Zanu." Today, some 50,000 squatters have taken the law into their own hands and set up homes on commercial farmland, mainly along the eastern border, to a lesser extent in Victoria province and few in Mashonaland.

The war was about land. It is and always has been the most fundamental issue in Zimbabwe's politics, one which stretches back to the expropriation of land by the white settlers towards the end of the last century.

The squatters' slogan highlights a continuing battle — certainly the most serious challenge faced by the new Government. For there is a growing impatience — acknowledged by senior government officials — at the pace of a British-supported resettlement programme designed to ease pressure on overpopulated and overgrazed former Tribal Trust Lands (TTLs).

There is a bright side to post-independence developments in the TTLs, which bore the brunt of the war. Schools, clinics, dip tanks, grinding mills and stores have reopened; peasant crop production has soared; refugees have returned from Mozambique, Zambia and Botswana and rural development is a priority.

But government has hardly begun to grapple with the deeply entrenched problem of land use. The occupation by whites of some of the country's best agricultural areas was to be formalised in the 1930s by the Land Apportionment Act, later known as the Land Tenure Act and repealed in 1979. The de facto racial division of land, fast being eroded in the urban areas, remains the characteristic of the countryside.

The 14.8m hectares of commercial farmland is still dominated by nearly 5,000 white farmers. The 1.5m hectares of former African Purchase Land, set aside in 1930 for freehold tenure by blacks, now falls within the category of commercial farmland. And the 16.3m hectares of TTLs — now known as communal land — is occupied by some 780,000 families — 10.4 per cent of Zimbabwe's 7.5m people.

This TTL land — about 42 per cent of the country — is, in many areas, steadily deteriorating. A paper by Mr J. R. Whitlow of the Geography Department at the University of Zimbabwe, concludes that population pressure is "great" to "desperate" in nearly 40 per cent of the TTLs. "Land degradation is widespread in many of these tribal areas and in some cases has reached such advanced stages that regeneration processes will take several decades to restore the vegetation and soil cover," he warns.

How many families should this land carry? There can be no precise answer. Zimcord funds (as discussed elsewhere in this survey) are largely earmarked for rural development and could well raise the carrying capacity. But also to be taken into account is the fact that the population is expected to double by the end of the century.

Perhaps the most commonly accepted statistical assessment is found in the report of the Riddell Commission, which suggests that the TTLs are capable of carrying about 325,000 families.

The Commission points out that some 235,000 peasant families have their breadwinner working in the towns. Past governments were reluctant to concede urban residential and other rights to black workers, whose low wages were insufficient to keep the whole family together in town.

The long term policy under the new administration is to improve urban working conditions and wages and bring the urban workers and their families together. Thus when assessing land demand planners assume — perhaps optimistically — that this group needs no agricultural land.

The current resettlement programme could, on best assumptions, place up to 35,000 families over the next three years. But that still leaves a further 185,000 families — around 1m people.

There is a further factor in what is clearly a worrying picture: the quality of land already bought or on offer, under the resettlement programme.

The country is graded into five categories—Natural Region I through to V. Category II is most suitable for mixed farming and this category is overwhelmingly occupied by white farmers. As the Riddell Commission points, "much of the land acquired for the resettlement programme is of poor quality, for some 66 per cent of the 1.1m hectares . . . (so far earmarked for resettlement) . . . falls within Natural Regions IV and V which are generally suitable only for semi-intensive and extensive livestock production."

What then is government policy? It is set out in a booklet on resettlement, outlining the principles of the three-year programme in which British government funds of £30m will be matched by the Zimbabwe Government.

In the first stages of the programme, some 18,000 families will be resettled on 1.1m hectares of land. The 42-page booklet carries considerable detail, including housing criteria for field orderlies (40 square metres, two bedrooms, worth Z$4,000) and resettlement officers (150 square metres, ceilings, hot and cold water, three bedrooms, worth Z$18,000).

It outlines an infrastructure of roads, dip tanks, fencing and other settlement needs. Land is purchased on a willing seller-willing buyer basis, and would-be settlers are selected on a basis of need—thus refugees and landless have priority.

Three resettlement models are offered:

A Intensive village settlements, with about five hectares of arable land per family, and communal grazing rights.

B Intensive settlement with communal living and co-operative farming.

C Intensive settlement, around a central core estate which will provide certain services, and to which farmers contribute labour. Arable land and livestock are individually owned. Grazing is communal.

So far nearly 1,200 families have been established, almost all on schemes based on model A.

Though no-one underestimates the problems involved, there are already serious questions to be raised about such an important programme.

Clearly the impact to date has been negligible in proportion to land demands. Yet the cost per family is huge, even making allowances for the fact that infrastructural developments will improve the lot of others in the area. For example: putting 125 families into two villages in Natural Region IV, under settlement scheme A, is Z$3,520 per family.

Nor can it be certain that these families will be good farmers, since the selection process—admirable on humanitarian grounds—does not call for proven farming ability. Yet the country's agricultural extension service has a severe shortage of trained workers.

The overwhelming demand from peasants is for model A, despite the policy on which Zanu-PF came to power "Peasant agriculture will be the basis of collectivisation . . . it is essential that peasant land holdings are combined to constitute viable collective units on the basis of which the State's assistance can be granted."

That is a far cry from a scheme which includes Z$18,000 houses for officers and five hectares per family. Reservations about state and communal farming in the rest of Africa are well founded, but model A takes up what would seem to be a disproportionate amount of Zimbabwe's scarce land and financial resources.

The harsh terms of tenure of a settlement plot have discouraged some would-be settlers who have relinquished their rights to TTL land. Occupancy is not freehold. It is at the Minister of Land's pleasure, and the tenancy is set out in draconian terms which must surely have been couched by a legal draughtman who had the notorious Law and Order (Maintenance) Act as his guide.

"The Minister may renew this permit and, at any time during the currency therefore, including any renewal, may, without notice, replace it with some other form of agreement on such terms and conditions as he may determine . . . may revoke this permit at any time . . . shall have the right, free of charge and without compensation to lay roads, boreholes, pipelines . . . on the expiry of revocation of this permit no compensation shall be payable to the holder for any improvements effected by him on the said site."

Officials have encountered complex land disputes which stand in the way of resettlement. Thus new locations have been turned down by potential settlers on the grounds that they have an historical claim to other land. Alternatively, they refuse to move because the land they are being offered is being claimed, on similar grounds, by another tribe or clan.

So far, government has more land on offer than it can presently cope with. But should it wish to buy commercial land — perhaps adjacent to an overcrowded TTL—which the white owner refuses to sell, the Lancaster House constitution includes a major obstacle. Although there is provision for compulsory acquisition, the landowner is entitled to take compensation abroad — a foreign exchange drain the Government cannot afford.

There is no easy answer to the country's land problem. As in other areas, the Government is discovering that the socialist policies on which it came to office — often inadequately thought out and barely researched — are either difficult to apply or win a mixed response from constituents.

While there is broad agreement that the commercial farming sector should be protected, the pace and nature of the resettlement programme is arousing considerable debate. There is a growing danger that land will become a political football, kicked not only by politicians outside the ranks of the ruling Zanu-PF, looking for a populist issue, but by members within that party.

The squatters at Kasimyre Farm and elsewhere are a worrying sign of impatience at the pace of progress on this critical issue.

Farming boom, but problems ahead

AGRICULTURE

TONY HAWKINS

THE WHITE farmers who so strongly supported Rhodesia's unilateral declaration of independence in 1965 and who suffered so much from the war and from sanctions, have benefited most from Zimbabwe's independence. The volume of commercial farm production rose less than 7 per cent between 1971 and 1979 and 1979 production was some 10 per cent below the 1976 peak. Provisional 1980 figures show a 12 per cent jump in the volume of commercial output and a handsome 34 per cent increase in the value of production, reflecting higher prices for many products, though not tobacco.

Commercial farm output last year was valued at $588m and the peasant sector $146m, a 43 per cent increase over the previous year's levels. Commercial agriculture, largely in the hands of some 4,800 white growers, was therefore responsible for 80 per cent of total output. In terms of marketed production, the commercial sector's share is far higher, representing more than 94 per cent of the total.

The major improvement in output in 1980 was achieved despite a continuation of the war until mid-way through the 1979-80 growing season and a severe drought. In the following season, ideal weather and a 33 per cent rise in the producer price of maize, resulted in an embarrassingly large maize crop, currently estimated at almost 3m tonnes — more than double the 1979-80 level.

The crop is an embarrassment only in the strictly physical sense against the background of a transport bottleneck which is making it impossible to export more than 300,000 tonnes this year, thereby imposing a considerable burden on the money market and on storage capacity because of the need to stockpile an estimated 1m tonnes of maize in 1981/82.

Just over 2m tonnes of the maize crop is expected to be sold to the Grain Marketing Board, with the balance being retained for own consumption by peasant growers (some 800,000 tonnes) and for use on the farms themselves.

In 1981 the value of maize sold to the marketing authority will rise to around $240m from $72m last year, making maize easily the most important crop. Tobacco production is estimated at $125m (marginally higher than last year) but cotton output is expected to be slightly lower and there will be a fall in the value of sugar production as a result of lower world prices. A sharp drop in cattle slaughterings will be partially offset by higher producer prices. The net result is likely to be an increase of 35-40 per cent in the value of farm output this year, almost entirely attributable to maize.

Growth next year will slacken significantly. There is unlikely to be a second consecutive season of ideal weather, and production will be inhibited by two major input shortages. Diesel fuel has been effectively rationed to farmers in recent months at some 80 per cent of January/February levels. The position improved early in September but farmers in the main northern cropping areas were receiving less fuel than those in the south. A spokesman for the coffee growers warned recently that production was being disrupted by the diesel shortage and maize plantings will almost certainly also suffer. Farmers believe that output will be further affected by the disruption of fertiliser deliveries as a result of transport congestion.

Forecasting is made even harder by the decision not to announce preplanting prices at the start of the season, but a survey of farmers' cropping intentions points to a 7 per cent increase in land under crops in commercial areas. The largest increase is in tobacco, in line with higher crop target for 1981-82. Surprisingly, there is little change in maize plantings. A switch back to tobacco by maize growers had been expected. Cotton will be down sharply, reflecting recent disappointment with prices.

The tobacco crop target has been raised 41 per cent to 96m kg and prices are expected to remain high next year, which will encourage growth in this sector. Peasant production will be inhibited by the transport, fertiliser and fuel problems, but given an "average" season there should be some further real growth in farm output next year, albeit at a significantly slower rate than in either of the past two seasons.

The livestock sector remains under great pressure. The 510,000 cattle slaughtered last year represents a drop of almost 30 per cent from the 1973 peak. The commercially-owned beef herd, hit by disease, high levels of female slaughterings and war-time rustling, is down to 2.3m head from more than 3.1m in 1977. The number of cattle in the communal lands has fallen to 2.9m from 3.4m.

The female slaughter rate, which was up to 56 per cent 18 months ago, is now down to 42 per cent (38 per cent being regarded as an appropriate level), which suggests progress in the rebuilding of the national herd.

Aside from the fuel and fertilizer input shortages, commercial farmers are concerned at the squatter problem and the potential impact of increasing wages on agricultural employment. In addition, they complain about inadequate foreign exchange allocation for tractors, machinery and spares. Ideally, farmers say, about 20 per cent of the tractor fleet should be replaced annually, which would mean 3,400 new tractors a year. The current allocation is 600.

While the industry is not opposed to higher minimum wages, the point is made that these should be announced ahead of the farming season in September (as recommended by the Ridell Commission of Inquiry into Incomes, Prices and Conditions of Service) and also that higher wages must be linked to increased producer prices. No wage increase has been announced yet, which means that there could be a wage award in midseason.

There is real concern about the wage-employment trade-off —a point emphasised by the World Bank, which is critical of labour policies that concentrate on distributional aspects rather than employment generation. Last year, farm employment in the commercial sector declined from 335,000 in 1979 to 327,000, well below the 1975 peak of 364,000. This is explained by the introduction of minimum wages in agriculture last year and the cutback in labour-intensive tobacco production in favour of maize, which uses relatively less labour.

If Zimbabwe is to get to grips with its employment generation problem, commercial farming must play a central role. Farms already account for some 32 per cent of total employment, and farmers argue that they need incentives in the form of higher prices to enable them to generate extra jobs and pay increased wages. The Riddell Commission pointed out that Zimbabwe has high quality food available at the lowest food prices in Africa, and advocated a change of emphasis by the phasing out of food subsidies and the payment of higher producer prices to stimulate output in both the peasant and commercial sectors.

Commercial agriculture has few grounds for dissatisfaction with Mr Mugabe's policies, but the land and squatter issues are likely to pose increasingly serious problems in the 1980s and could disrupt the present cosy co-operation between agriculture and the state.

VALUE OF AGRICULTURAL PRODUCTION 1980/81

	Z$m
Tobacco	97
Sugar	77
Maize	72
Cotton	70
Wheat	22
Cattle	86
Milk	27

Country's advantage lies in its diverse resources

MINING

GEORGE MILLING-STANLEY

ZIMBABWE has a long history of mining and those involved in the industry are justifiably proud of this tradition and their skills.

It is a popular myth that nature has endowed the country with rich mineral resources; many of Zimbabwe's deposits are low-grade by world standards, especially in contrast with neighbouring South Africa. Its advantage lies in the diversity of the minerals it possesses.

Among the world leaders in the production of gold and chrome, the country has a significant share in world output of asbestos, lithium, nickel and copper. In addition, the output of coal, iron ore, tin, silver and cobalt is substantial. Zimbabwe now produces more than 40 different minerals, and the important platinum group metals may soon be added to the list.

Last year was a good one for the mining industry, helped by the high price of gold and the lifting of economic sanctions. The value of mineral production reached Z$ 414m (just over £300m), a record for the 18th year in succession.

The industry accounted for about 8 per cent of Zimbabwe's gross domestic product, and contributed more than half its vital foreign exchange earnings.

Mining is one of the largest employers after the state, with a total of 70,478 people at the end of 1980. This is a rise of almost 14 per cent over the end-1979 figure despite retrenchment in some areas.

The current year will not be nearly so good. Indeed, the future of mining is clouded by a vast range of problems, some of which are not confined to Zimbabwe. Prices of both base and precious metals are generally at low levels, especially when compared with last year, and Zimbabwe is suffering together with other countries in this respect.

A severe shortage of skilled labour is another problem common to much of southern Africa, although this is alleviated to some extent in contrast with such countries as Namibia and South Africa by the comparatively high standard of education among the black population of Zimbabwe and the fact that there are no statutory barriers to their advancement.

Even so, the problem is still serious, to the extent that some people in the industry claim that even when the long-awaited upturn in demand for metals comes about Zimbabwe will not be able to take full advantage of it by raising output much above present levels.

A third general problem is the rapid rise in operating costs, exacerbated in Zimbabwe by the introduction of minimum wages. The general level of annual inflation in the country is estimated at about 15 per cent, but currency fluctuations, especially where equipment is paid for in U.S. dollars, mean that the mining industry's costs are probably rising at between 20 and 30 per cent annually.

The fourth major problem concerns transport, a perennial difficulty in this part of the world. Chamber of Mines statistics indicate that this has been so since at least as long ago as 1904.

Between 70 and 80 per cent of Zimbabwe's mineral output is exported, including all the gold and nickel, and much of the asbestos, chrome, copper and silver. Iron ore is first made into pig iron or steel before being mostly exported.

The railway system is said never to have been able to handle the tonnages involved. Many of the products carried by rail are seasonal in nature, notably fertiliser in one direction and agricultural produce in the other, while minerals represent a steady traffic all year round.

Related to the problem of congestion on the railways is the landlocked location of the country. Zimbabwe has to depend on its neighbours for access to the sea, and currently as much as 90 per cent by value of mineral exports are shipped through Durban, East London or Port Elizabeth despite strained relations with South Africa. The Government is trying to encourage the mining industry to route more of its goods through Mozambique.

This the industry seems reluctant to do, claiming that of the two ports available, Beira is hopelessly inefficient and Maputo is at best erratic. The Government believes these claims are exaggerated and says that it is up to the industry to make better use of the facilities in Mozambique.

Apart from these problems, which are in many respects common to all countries in central Africa, Zimbabwe faces some new ones which are entirely its own.

The recent budget introduced two changes in taxation which are already having profound effects on the mining industry and in some cases have led to cuts of up to 50 per cent in planned exploration spending in the current year.

This the country can ill afford, as prospecting activity has been at a low ebb for the past five years or so because of the struggle for political independence.

The first of these changes was the reduction in the capital redemption allowance from 100 per cent to 30 per cent, thus cutting substantially the amount of capital expenditure available to be offset against tax in any one year.

A Government official admitted that the new system was no fairer than the old, merely exchanging a benefit which, it could be argued, was too widely available, being of most use to new projects, for something which penalises everyone.

He indicated that it was still the subject of discussion with the industry in an attempt to arrive at an equitable solution. This change struck at industry in general, but mining sustained a double blow as the depletion allowance was abolished at the same time.

These two changes will mean the industry paying substantially more tax this year, which alters completely the financial parameters to which it had become accustomed. As yet no-one has announced the cancellation of any major projects, and it seems likely that such plans as the Renco gold mine of Rio Tinto Mining Zimbabwe, the local arm of the Rio Tinto-Zinc group, will still go ahead.

Renco is expected to come into full production early next year as a medium-sized mine at a cost of something like Z$20m, and with a grade of between 10 and 12 grammes of gold per tonne of ore it can be expected to be profitable even under the changed circumstances.

More problematical, however, is the same company's Zinca platinum group metals prospect. This operation, which could involve capital spending of up to Z$100m, has been fully piloted, but it must be in danger of being abandoned if the Government proves inflexible on the tax question.

This is particularly unfortunate, as Zinca could expect a duration of something like 20 years. It would also be labour-intensive, provide development in what is now a rural area, and make a major contribution to foreign exchange earnings.

The final problem facing the mining industry, and one that some people regard as potentially the greatest threat, is the Government's decision to set up a state-controlled marketing agency to sell all the country's mineral output.

The legislation providing for this gives the agency extremely wide-ranging powers which could, if used to the full, amount to effective nationalisation of the industry.

The Government insists that it has no intention of taking control of production and is still in consultation with the industry as to the way its proposals will be applied.

Until the outcome is known, this represents just one more reason why mining companies are becoming increasingly reluctant to commit further funds to mineral development in Zimbabwe.

Tobacco prices take off

TOBACCO

TONY HAWKINS

A YEAR ago, many Zimbabwean tobacco growers were asking themselves whether life under sanctions had not been better than the return to free trade. The 1979-80 growing season was a very poor one for producers, giving rise to a large crop of indifferent quality flue-cured leaf. In addition, there was a substantial market overhang of unsold leaf from the sanctions period. As a result, the first half of the 1980 auction sales season was little short of a disaster.

Prices improved later in the year but over the sales season as a whole a total of 122.6m kilograms of leaf was sold at an average price of 79.5 cents per kg. This was not only at least 12 per cent below average production cost, but was also a lower price than the 82 cents obtained in 1979 and the 99 cents in 1978.

In mid-1980, in return for a package of financial guarantees to local merchants to support speculative buying-in of leaf, the Government imposed production quotas for the 1980-81 season reducing the crop size by 40 per cent to 70m kg. Some 400 growers left the industry, bringing the total number of producers down to 1,145 compared with 1,800 in the pre-sanctions years.

The production cutback coincided with a marked international shift in favour of producers. The poor United States and Chinese crops resulted in substantial buying of Zimbabwean leaf stocks after the sales had closed, thereby reducing the carryover to more normal levels. Last season's good rains led to a vintage crop of high-quality leaf, though a little short in nicotine content, which proved to be exactly what the market was looking for.

Before the auction sales started in April, farmers were talking optimistically of a seasonal average price of around 130 cents a kg, but with nearly 80 per cent of the crop sold, the price is currently averaging 186 cents a kg and the average for the year is likely to be close to that level, which is 135 per cent higher than in 1980.

The stocks position probably will have changed for the better by the end of this year. In January 1981, stocks of flue-cured leaf in Zimbabwe were estimated at 110m kg but that figure is likely to be down to 70m kg by December, of which only about 12m will represent "uncommitted" leaf. Due to transport bottle-necks, stocks may be rather higher than this, but the uncommitted margin will be small.

As a result of the substantially higher prices and buoyant short-run market outlook, at least 150 new and returning tobacco growers will plant leaf in 1981-82. The crop target has been lifted from last season's 70m kg (actual output is thought to have been 68m kg) to 96m kg. Allowing for overproduction on quota and "normal" weather, that would give a maximum crop of around 100m kg. This means that, in addition to providing production quotas for new and returning growers, existing farmers will be allowed a 25 per cent rise in quota.

The crop expansion is probably rather less than the merchants and buyers would like and suggests that high prices will prevail again next year. Zimbabwe will be the second-largest exporter of flue-cured leaf after the United States, slightly ahead of India and Brazil. There are indications that prices will be buoyant next year, but costs may rise more rapidly than average prices over the next 12 months.

Worry over accelerating costs

INDUSTRY

J. A. C. GIRDLESTONE
Group Economist, Zimbabwe Banking Corporation

WHENEVER TIMES are hard, Zimbabwean manufacturers tend to bolster their self-confidence by falling back on a Micawberish belief that something will turn up. That "something" has never been defined, but is assumed to include peace and political stability; a fast growing economy; an expanding market; unrestricted access to international trade and finance; and increased investment and profits.

On the face of it, industry's expectations appear to be on the way to fulfilment. Peace has returned to the land. The governing party's substantial majority holds out the prospect of political stability. The economy's performance is impressive, even if some scepticism is in order over the officially indicated real GDP growth rate of almost 14 per cent for 1980. Private consumption expenditure, which rose last year by 30 per cent at current prices, is increasing even faster in 1981 judging by the 47 per cent rise in the first quarter retail trade value index. The volume of industrial output, helped by a substantial increase in import allocations, rose last year by almost 15 per cent, and has risen a further 13 per cent during the first five months of 1981. The industrial labour force expanded by over 10 per cent.

There has been little increase in manufactured exports, but the removal of sanctions has increased the potential for foreign sales. Company profits rose 29 per cent last year and although higher government spending was the major contributory factor, total investment was 25 per cent higher in terms of current prices. A foreign capital inflow of over $123m is expected to boost development in fiscal 1981-82.

Yet industrialists are worried. While the Confederation of Zimbabwe Industries' initial reaction to the Budget was one of relief because rates of corporate taxation were not increased, second thoughts have suggested that the Budget has discouraging implications for the manufacturing sector. The reduction of capital expenditure in the special initial allowance, following on the January mini-Budget's removal of the investment allowance, together with the introduction of taxes on capital gains, interest and dividends are taken as signalling a considerably less sympathetic attitude towards capital investment.

The investment climate has also been unsettled by government action to prevent foreign ownership of domestic assets, by its acquisition of local industrial equity — for which a further $20m is provided in the Budget—and by proposals to regulate and control industrial expansion and diversification.

There is concern that fast-growing government spending is placing too heavy a burden on available resources and that prices will increasingly reflect this. There is a feeling, too, that in their proposals for decentralisation and manpower training, the policymakers underestimate the crucial importance of maintaining business viability.

The rate of increase in manufacturing costs is expected to accelerate following the Budget's imposition of a 5 per cent import surcharge and the virtual doubling of the petrol tax. The continuing drain of skilled personnel and transport bottlenecks are also major contributory factors to higher costs. Minimum wages are expected to rise when the Government implements its proposal to reduce subsidies. Expansion is being curbed by the deteriorating balance of payments position, which is expected to result in reduced import allocations in the final quarter of the current year. Several major exporters are likely to face problems when the trade agreement with South Africa ends next March. None of this holds out much encouragement for future profit growth.

Primarily because of the 50 per cent limitation on the remission of after-tax profits to foreign shareholders, the return of equity capital to external investors is probably insufficiently attractive by comparison with yields obtainable elsewhere. Certainly, private foreign investors have so far failed to follow the lead set by national governments and international agencies.

Uncertainty mainly centres on the Government's intentions towards the sector's future role in the economy. Secondary industry made the single biggest contribution to national income in 1980, accounting for almost 26 per cent GDP. With its 159,000 labour force it was the second biggest sectoral employer. But despite its size, its impressive achievements in diversification and its undoubted potential for further growth and development, it increasingly feels that its important contribution is little understood, still less fully appreciated, by the Government.

The problem is not simply one of communication, although that could be improved. It stems basically from different concepts of the sector's role in the economy. Is it to be left to do what it knows best, within the general framework created by government, as it would prefer? Or is it to be one of government's agents for implementing policies for growth and development, for change and employment creation, as the Government clearly wants? There is bound to be a lack of purpose, while this issue remains unresolved.

As one chief executive put it, "Industry is no longer convinced that it is really wanted". He may have been confusing ends and means but he was expressing a not unrepresentative view. For the first time in years industry has lost its characteristic self-assurance. It will require more than words to persuade it that it is experiencing nothing more than the pangs of change.

Group economist, Zimbabwe Banking Corporation.

T A HOLDINGS LIMITED

INCORPORATED IN ZIMBABWE, P O BOX 3546, SALISBURY, TELEX RH 4136

Directors: S G Hayes C S B Freer A J Farnerey B W Rooke B Shlom H E F Behr

CORPORATE PROFILE

T A HOLDINGS LIMITED is the largest Zimbabwean controlled company quoted on the Zimbabwe Stock Exchange, with a market capitalisation at 13 July 1981 of £25 million. It is the holding company of a large and diversified group of companies operating in most sectors of the economy.

The group has its origins in the tobacco industry when, in 1936 it established the country's first tobacco auction floor. In 1969 it adopted a policy of diversification which has resulted in the major expansion which subsequently occurred. The company obtained a quotation for its shares on the Zimbabwe Stock Exchange in 1964, and now has some 6 000 shareholders.

The group operates in all the main centres in Zimbabwe, and in many of the smaller towns. It has over 7 000 people on its payroll, including associated companies.

T A espouses the concept of Zimbabwean control within the framework of private enterprise, and aims *to fulfil its obligations to all its "stakeholders" — namely, employees, shareholders, customers and the* community as a whole — to the best of its ability.

THE AUDITED RESULTS OF THE GROUP'S OPERATIONS FOR THE YEAR ENDED 31 MAY 1981

1. GROUP PROFIT AND LOSS ACCOUNT

	1981 £000	1980 £000	% Increase
Turnover — group	85 058	56 421	50,7
— share of associated companies	20 642	13 663	51,1
	105 700	70 084	50,8
Group operating profit before tax	6 867	4 731	45,1
Share of profits of associated companies	2 162	1 540	40,4
Group profit before tax	9 029	6 271	44,0
Taxation	2 441	2 202	10,9
Group profit after tax	6 588	4 069	61,9
Minority interest	1 557	944	65,0
Profit attributable to shareholders	5 031	3 125	61,0

2. *GROUP BALANCE SHEET*

Source of capital	1981 £000	1980 £000
Shareholders' equity	28 958	17 917
Minority interest	7 140	5 116
	36 098	23 033
Convertible debentures	2 373	2 373
Long term loans	6 321	10 124
	44 792	35 530

Employment of capital	1981 £000	1980 £000
Fixed assets	34 635	24 260
Long term debtors	1 258	1 769
Current assets	37 388	40 454
Current liabilities	28 489	30 953
Net current assets	8 899	9 501
	44 792	35 530

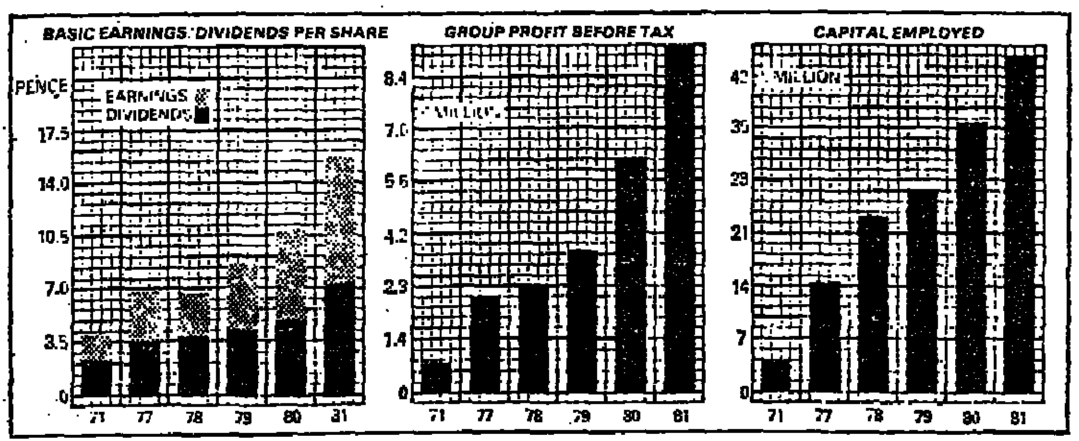
The rates of exchange applicable at 31 May 1981 were:
Z$1,00 = £0,70
Z$1,00 = US$1,46

3. *COMMENT ON THE YEAR'S RESULTS*

The improved results were largely attributable to sustained *organic growth and to increased efficiency and productivity.*

Much credit is therefore due to the boards, management and employees of the group's operating divisions for their admirable efforts. This was the first full year of free trading. The demand for products from our manufacturing companies *increased enormously*, and there were times when we doubted our ability to keep up the momentum and, in particular, to keep old machinery and vehicles fully operational. Export sales of a wide variety of the group's products greatly exceeded forecast and in general the relative boom which began in the *final quarter of* last year continued throughout the period under review.

A copy of the company's Annual Report and Accounts for the year ended 31 May 1981 is available upon request from the Secretary, P.O. Box 3546, Salisbury, Zimbabwe.



Note: The group changed its year-end in 1976 from 31 October to 31 May. As the results for the transitional period of 7 months ended 31 May 1976 are not comparable they have not been included in the summary.

eric edwoods 5165

Aid pledges will have 'substantial' impact

ALTHOUGH THE full impact of the successful Zimbabwe Conference on Reconstruction and Development (Zimcord) will not be felt until 1982-83, within three months of the conclusion of the donors' conference Z$249m of the pledged aid inflows *had already* been committed. At the Zimcord meeting in March, donors pledged a total of Z$1.3bn over a three year period, of which just over Z$600m (47 per cent of the total) represented grants and the balance loans on varying concessional terms.

The Minister of Economic Planning and Development, Dr Bernard Chidzero, told Parliament last month that *Zimcord* resources will eventually have a "very substantial" impact on the economy, providing more than *40* per cent of total investment resources over the next three years.

There will, he says, be an acceleration in the number and volume of aid commitments so that the entire Zimcord pledge will be realised *during the 1981-84* transitional development plan period. The actual development plan itself has still to be published but should be available by the end of this year.

The centrepiece of the plan is the Public Sector Investment Programme (PSIP) covering the 1981/84 fiscal years, which envisages investment by government and para-statals totalling *more than Z$2bn* of which Z$635m is to be spent in the current fiscal year (to June 30, 1982) rising to Z$676m in 1982/83 and to Z$692m in the final 1983/84 year of the programme.

Highest priority in the programme has been given to the rural areas and to "people-oriented" expenditures. The largest component of the PSIP is the provision of Z$878m (44 per cent of the total) for energy, transport and communications. Of this amount Z$331m (more than half planned public sector investment) is being spent *this year on such projects as* Wankie thermal power station (total cost of Z$218m), railway electrification (Z$160m over three years), roads Z$87m) and posts and telecommunications (Z$140m over thre years).

Social services will absorb more than Z$610m (31 per cent of the total) of which education's share will be Z$163m (8 per cent of the total programme) and housing Z$390m (nearly 20 per cent of the total). In education there is heavy emphasis on secondary schooling, *especially in rural areas* and Z$24m is provided for vocational training which Dr Chidzero says, will more than double present output of skilled workers from the technical colleges.

Rural development and agriculture will absorb Z$341m (17 per cent of the total) of which about one-*third* is earmarked for land acquisition and resettlement programmes.

The intensive rural development strategy involves heavy investment in extension services and training facilities and state spending on rural infrastructure including marketing facilities and the provision of agricultural credit for peasant producers.

Only a relatively small proportion of the Zimcord aid is tied, though officials still describe this as "significant" and in his budget speech the Finance Minister, Senator Nkala, appealed to donors for "flexibility" in aid terms.

Just how much Zimcord aid inflows will contribute towards an easing of the private sector's demand for foreign exchange is unclear *as yet. One informed estimate* is that at least 20 per cent of the Z$1.3bn will represent "free" money—that is funds earmarked to finance local costs—which would thereby release foreign currency for alternative uses.

Tony Hawkins

Misguided optimism gives way to sound sense

THE COLLAPSE of share prices on the Zimbabwe Stock Exchange since January is frequently cited as the outward and visible sign of waning business confidence. It would be idle to deny that business expectations have been revised downwards in recent months, but this is partly—if not substantially—explained in terms of naively misguided optimism last year.

Soon after independence, one of the country's main investment advisory services advised clients to buy into equities in anticipation of a "very large" increase in profits. That such a recommendation should have been *made within weeks of the* election to office of an avowedly socialist administration raised a few eyebrows, but the advice was widely taken, and shortly after Mr Nkala's little-changed 1980 budget, industrial share prices took off. The share price index rose from the *350* level in mid-1980 to a record high of 487 last January—taking the total rise since the start of the Lancaster House constitutional conference in September 1979 to 50 per cent.

The 45 per cent fall in prices since January is explained by increased taxes in the January and July budgets (including the imposition of a 30 per cent capital gains tax on share transactions and a 15 per cent tax on dividends declared by local companies), by higher interest rates, by government purchase on controlling interests in three listed industrial companies (Zimbabwe Newspapers, Zimbank Ltd., and Caps Holdings) and by a growing realisation that inflationary pressures necessitated higher nominal yields. Yields have more than doubled in the past eight months.

In part, the change in investor sentiment represents a shift away from last year's assessment that the Mugabe *Government would talk socialist* but act conservative. The realisation that the Government is committed to change is relatively recent. In February, the "Growth with Equity" economic policy document was published setting out the Mugabe Administration's attitude towards private sector investment. It would be an exaggeration to say it was welcomed by the private sector, but organised business certainly saw it as a moderate and pragmatic document.

"Growth with Equity" promises increased participation in the ownership and management of the economy by the Government and also by Zimbabwean nationals, while retaining a mixed economy. It is general *policy, the paper says,* to encourage "domestic participation" in productive enterprises within the economy.

INVESTMENT POLICY

TONY HAWKINS

Foreign investors will be expected to provide domestic equity participation "within a reasonable period of time." No special or *preferential taxation,* exchange control or import control benefits will be granted as a condition of state participation, *where this occurs.*

A key paragraph in the paper, which gave rise to subsequent controversy, reads: "As a general rule, the absolute amount of existing domestic participation in domestic enterprise should not be diluted, in future, by sale to foreign interets; nor must an existing domestic control level of equity holding be allowed to pass to foreign investors."

When the paper was published, the Zimbabwean industrial subsidiary of the British Turner and Newall group (Turnall Holdings) was in the throes of a reverse takeover of the listed Zimbabwean industrial conglomerate Mashonaland Holdings Ltd. This takeover clearly conflicted with the stated guideline, but because the Reserve Bank of Zimbabwe—which focused on the currency implications of the deal—had given permission, the sponsors went ahead.

When, inevitably, the Government banned the merger and subsequently announced the establishment of a foreign investment committee to vet external equity participation in domestic enterprise, business *spokesmen responded with outraged* indignation, seemingly appalled that the Government was actually implementing its *policies and not just talking* about them. The incident did little for the already tarnished image of multinationals in *Zimbabwe.*

Six months later, the gap between private and public sector thinking on investment policy appears even wider. Castigating the recent budget, the president of the Chamber of Mines, Mr Roy Lander, accused the finance minister of effectively hanging out the sign "Foreign investors not welcome." His counterpart, the president of the Zimbabwe Chamber of Industries, Mr Bert Yarwood, has called for a drastic revision of investment policies.

Two issues lie at the heart of the investment policy controversy. Firstly, it is argued in Government that with an estimated 65-75 per cent of the private sector capital stock already owned by foreigners, an "open-door" policy towards new foreign investment would be misguided. What is needed—as stipulated in "Growth with Equity"—is localisation or internalisation of at least some of this capital.

In the 1981 budget $20m was set aside for just this purpose: *buying equity,* at market-related prices, in foreign owned companies. In all the three cases to date (with a fourth pending *in the* negotiations with the Zimbabwe Omnibus Company), Government has bought out foreign and not domestic shareholders. Government is also firmly committed to encouraging joint ventures (the BCCZ Bank being the first and most visible example), especially in strategic industries such as energy.

Secondly, there is a dispute between private sector interets demanding a detailed investment code and those in government arguing that previously-stated policies are explicit enough and that government would be unwise to tie its own hands by specifying investment guidelines before entering into negotiations with individual firms.

The net effect of Government policy pronouncements—most notably the proposed state-*owned minerals* marketing agency—on the one hand and the over-reaction of local businessmen to such statements *on the other, has been* a disappointingly low level of private foreign investment. Last year's balance of payments figures *show a net inflow of $109m on* private capital account.

It is early days yet, but two lessons can be drawn. Firstly, the necessity for government to look at individual investment projects on their merits rather than setting out an elaborate, costly and possibly ineffective set of investment incentives and guidelines. Secondly, the need for the private sector to accept localisation and Zimbabweanisation and concentrate more on improving the domestic investment climate rather than relying on foreigners. Unfortunately, in an economy so dominated by multinationals, this is easier said than done.

Three issues change climate

THIS HAS been a year of major change for Zimbabwe's banking and financial system. A new commercial bank, Bank of Credit and Commerce Zimbabwe (BCCZ), opened its doors in Salisbury, bringing the total of retail commercial banks to five—the others being Standard, Barclays, Grindlays and Zimbank. BCCZ is a joint venture between the Zimbabwe Government (owning 47 per cent of the equity) and the BCC group, listed by *The Banker* magazine as the tenth largest Arab bank in the world. Government hopes that BCCZ will focus on rural banking as part of the rural development and decentralisation strategy.

A second major change was the Government's surprise purchase early this year of a controlling interest in the Zimbank, the country's second largest banking group. Bank of America *had been negotiating the purchase* of a controlling stake in Zimbank, formerly Rhobank, and 6 per cent owned by Nedbank in South Africa. However, Government stepped in to purchase a controlling interest at a market related price.

Two major international banks—Citibank and Banque Internationale pour l'Afrique Occidentale, part of the BNP group—have opened regional or representative offices in Zimbabwe in recent months.

This has also been a year of substantial change in monetary *policy. In February, the bank* rate was raised from 4.5 per cent to 6 per cent—the first such change in the rate for nearly 20 years. This was obviously inadequate and last week the authorities took far tougher measures to restrict credit and dampen consumption by raising Bank Rate to 9 per cent and the prime borrowing rate from commercial banks was pushed up 400 base points to 13 per cent. At the same time, the Reserve Bank of Zimbabwe has moved to *slow the growth in the money* supply after the 34 per cent expansion in M2 last year.

Statutory reserve balances held with the Reserve Bank by the commercial banks, accepting houses and finance houses were raised from 6 per cent to 8 per cent in the case of demand deposits and from 3 per cent to 4 per cent for time deposits as part of the credit restraint strategy. Although the statutory liquidity ratio of the commercial banks remains at 35 per cent of their liabilities to the *public, early in the year the* banks were "advised" to work to a 40 per cent ratio.

These monetary measures were designed to promote savings and discourage "non-essential and postponable expenditure" under conditions of mounting inflationary pressures. The business sector, which believes that the main source of inflationary pressure in the economy is government expenditure and borrowing from the banks, complained that the authorities were treating the symptom rather than the disease.

Since the introduction of the new measures, three main developments have changed the monetary climate. Firstly, the growth of the money supply in terms of M2 slowed to less than 4 per cent in the first seven months of 1981. This compares with 13.6 per cent in 1979 and more than 34 per cent last year. The primary reason for the slowdown has not been the new policy so much as a reduction in the rate of government borrowing from the banks.

Last year, when the money supply (M2) rose $243m, government borrowing increased $224m. The most recently published figures cover only the first quarter of 1981 but these show government borrowings rising by only $4m. Given the 18 per cent increase in the public sector borrowing requirement in 1981-82, government borrowing from the banks will pick up in the latter *part of this year but should still be well* below last year's high levels.

The money supply growth also slowed this year because of the policy of running down the foreign reserves from their October 1980 peak level.

Secondly, money market liquidity has tightened considerably and commercial banks are at, or close to, the recommended 40 per cent liquidity ratio level. The authorities have been predicting an easing in the liquidity position but this is still not evident and there are signs of further short-term tightening. A major reason for this situation is borrowing by the state-owned Agricultural Marketing Authority (AMA—euphemistically described by the monetary authorities as private sector borrowing) to finance the record maize crop, more than 1m tonnes of which, worth over $250m, is being stockpiled. One informed estimate is that it *could take up to three years to* move the maize stockpile, which will impose a serious burden on the financial sector.

BANKING

TONY HAWKINS

Liquidity is expected to tighten further over the next few weeks, as farmers start borrowing *to finance their* 1981-82 crops, but thereafter the expectation is that recycled AMA funds—the authority's *borrowings* being paid out to farmers—will flow back into the system and prevent a liquidity crisis. Liquidity is also being strained by the transport congestion which is slowing the movement of exports and imports, with the result that foreign exchange inflows are slower than normal.

The third development has been the continuing upward *movement in nominal interest* rates. After the bank rate was raised to 6 per cent in February, the treasury bill rate promptly *moved up from 3.3 per cent to* almost 5 per cent at the end of March. It hovered around that level for some months but *recently has started to move* ahead again, reaching 5.5 per cent early this month. This movement has been taking place *against a background of* repeated assertions by the Finance Minister and the governor of the Reserve Bank *that interest rates will not be* increased again. Bankers complain that within a fortnight of a budget statement to that *effect,* the authorities were forced to push up their own borrowing rate for short term Government stock from 6.4 per cent to 7 per cent.

The rise in rates is more nominal than real given the fact that inflation in 1981 is expected to be virtually double *last year's* 8.2 per cent. There are few grounds for optimism about the ability of the authorities, using fiscal and monetary policy, materially to curb inflation and most forecasters expect it to remain high (15 per cent or more) over the next 18-24 months. Direct controls on prices are likely as Government tries to restrain price increases but such is the strength of demand that this would only curb prices at the *cost of shortages,* rationing and black marketeering.

A continuing high level of inflation would place the exchange rate under increasing pressure. The Zimbabwe dollar parity is determined against a basket of currencies—the major ones being the U.S. dollar, with a weighting of some 40 per cent, the South African rand (33 per cent) and sterling (14 per cent). Official policy has been to maintain the existing currency parity in trade-weighted terms—which *has meant depreciation against* the U.S. dollar, in particular, but appreciation in terms of sterling, the rand, and some European currencies.

Crucial decision on electricity generation needed soon

ENERGY

TONY HAWKINS

WITH INVESTMENT in the energy sector estimated to cost a minimum of Z$3bn during the 1980s, energy policy is clearly a major issue. There are two quite distinct problems—one immediate and one medium-term. The immediate problem stems from inadequate transport capacity to move supplies of liquid fuels by rail and road.

But petroleum provides only 11 per cent of total energy supplies in Zimbabwe (1979 *figures*) and the far more important medium-term issue relates to the supply of electric power—specifically the choice between coal-fired thermal power and hydroelectric power.

Energy consumption in *Zimbabwe in 1979 was estimated* at 5.5m tonnes of oil equivalent (TOE) or about 5.5 barrels of oil equivalent per capita. About 84 per cent of this was provided domestically and 16 per cent imported. Eleven per cent of energy supply took the form of imported oil and 5 per cent of electricity imported from neighbouring Zambia.

Energy supply in 1979 was 31 per cent electricity, 29 per cent coal, 29 per cent wood and 11 per cent imported oil. Petrol consumption actually declined in the 1973 to 1980 period, partly reflecting higher prices and the slowdown in the economy, but also the opening of the ethanol plant *last* year which, using sugar as feedstock, produces some 15 per cent of total *petrol production*. The ethanol is mixed with 1 per cent benzol to produce blend petrol.

*Zimbabwe is committed to ex*panding its coal-fired thermal power generation with the construction of phase one of the Wankie power station with a capacity of 480 Mw, which is due to come on stream by 1983. But a decision will have to be made before very much longer on future energy supply strategy—the choice between further development of domestic thermal and coal resources or the early development of extra hydropower resources linked, at least as an interim measure, *with electricity imports from* Zambia, Zaire or Mozambique.

The potential exists in both cases. The country's coal reserves are put at 28bn tonnes, equivalent, at current usage rates, to 10,000 years' worth of coal. Unused hydro potential on the Zimbabwe side alone of the Zambesi river is put at 3.5 times the country's total 1979 consumption.

Energy demand estimates suggest that decisions on extra supply capacity must be made soon. The investment cost in the first half of the 1980s is put at Z$350m a year and these expenditures will have to be accompanied by higher prices for energy, which in turn could well slow down energy usage.

Thermal power will involve similar investment levels to hydropower, but will cost more per unit of electricity, although thermal plants could be constructed and brought on stream more rapidly. Even if an early decision were made on hydropower development, it would still be necessary to import electricity for some periods from neighbouring countries.

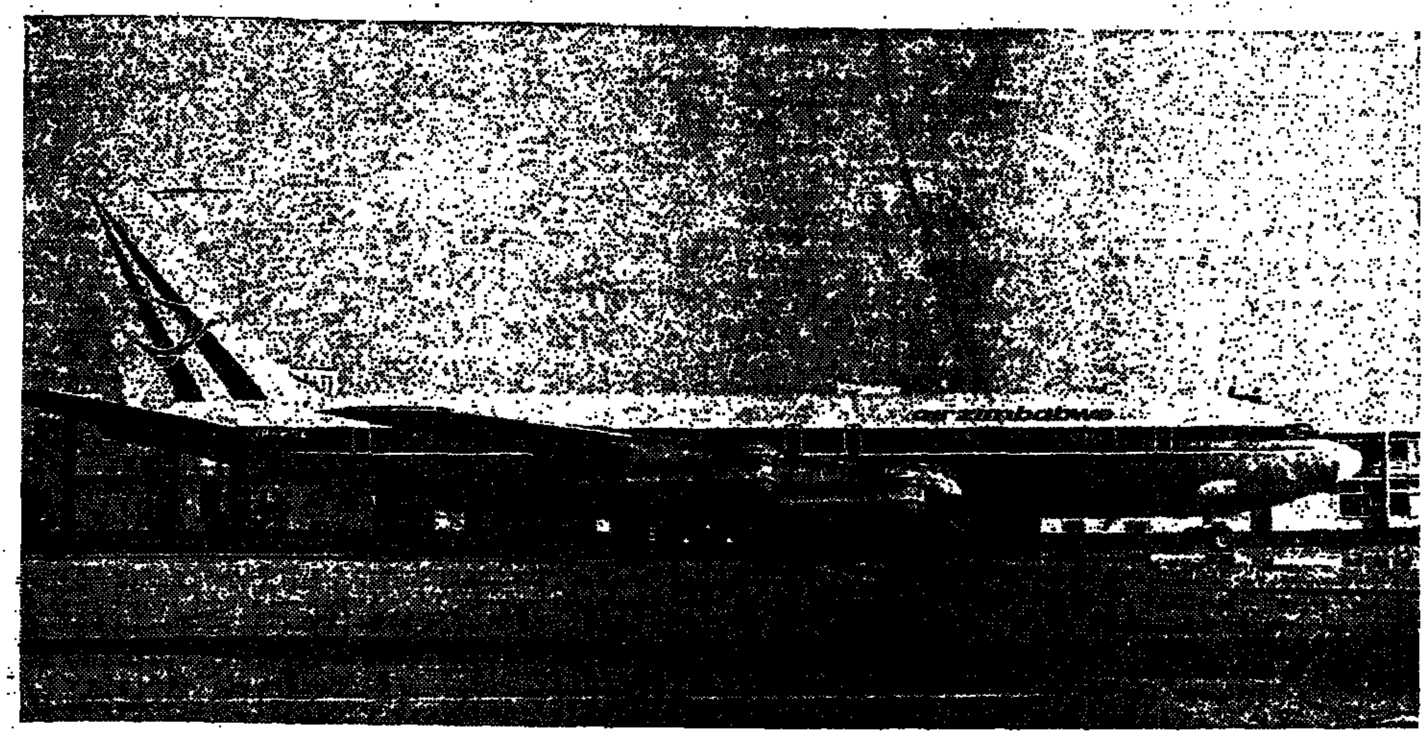
Whichever option is followed, it is certain that electricity costs will rise, because the energy sector will have to generate at least some of its own finance for development. One estimate is that the present electricity tariff will have to be raised some 80 per cent to provide about 30 per cent self-finance by the energy sector.

The supply of liquid fuels—which ran short in August and September—should improve radically from the end of this year *when the Beira to Umtali* oil pipeline, closed since 1966, becomes operational once again. About 40 kilometres of the 300 kilometre pipeline have to be replace but the owners (Lonrho) are confident that it *will be ready to resume operations* by the end of 1981.

It was built in the early 1960s to supply crude oil to the Feruka pipeline, but it will now be used to bring in petrol and diesel fuel, thereby ending Zimbabwe's *present dependence on South* Africa for some of its liquid fuels.

The reopening of the pipeline will also reduce the demand for capacity on the railways and *thereby improve transport* capacity. The fly in the ointment is the fear that the pipeline will be vulnerable to attack by the anti-Government Mozambique resistance movement.

Liquid fuel supplies also pose a *major decision problem*—whether to renovate and reopen the Feruka oil refinery, closed in 1966. It has been reported in Salisbury that the Government is unlikely to reopen the refinery, which was built to serve a *different market* (Zambia and Zimbabwe) under very different conditions nearly 20 years ago.



An Air Zimbabwe Boeing 707 at London Gatwick airport. Flights to Britain started shortly after Independence. The airline also runs a service to Frankfurt and is planning to expand into southern Europe

Shortages of vehicles and fuel hold back economic growth

TRANSPORT BOTH within Zimbabwe and from Zimbabwe to its sea outlets is a major constraint on economic growth and external payments.

Within Zimbabwe there are major delays in moving the maize and cotton crops to the marketing depots. In part, this reflects the shortage of vehicles but recently a new bottleneck has developed in the form of inadequate diesel supplies and in the past few weeks, inadequate petrol supplies. *More serious* probably is the inability of the state-owned National Railways of Zimbabwe (NRZ) to move all the traffic on offer.

In the year to June 1980 the NRZ moved some 14m *tonnes of goods*—the largest level of traffic recorded since the break-up in 1967 of the unitary Rhodesia Railways system that served both Zimbabwe and Zambia. The NRZ believes that traffic on offer was of the order of 15 to 16m tonnes suggesting that the system is 10 to 15 per cent short in capacity.

Two inter-related issues lie at the heart of the rail transport problem. The first is the lack of adequate motive power capacity. The NRZ has an effective locomotive fleet of 255 diesels and 80 steam engines, but less than 50 per cent of the diesel fleet is in service at any time while about 60 per cent of the steam locomotives are operational. In theory, the in-service availability of diesels ought to reach a maximum ratio of some 70 per cent, but—and this is where the second issue comes in—the railways are critically *short of skilled artisans*. Seven months ago, the World Bank estimated the labour shortfall at 20 per cent, but today the figure is said to be 350, out of a total establishment of 1,200—implying a 30 per cent shortfall.

At present, NRZ cannot achieve adequate levels of in-service availability of diesel electric locos because of the serious shortage of skilled labour necessary to maintain the fleet. The position is made the more difficult by the fact that during the sanctions period, the railways were forced to buy and build various "hybrid" diesel locomotives with which workers are unfamiliar and which are more *difficult to service* and repair.

In the short-term, two main policies are being pursued to remedy this situation. Expatriate workers are being recruited in both India and Pakistan on contract terms to help meet the *immediate shortage*. The first 25 people arrived early this month and the NRZ is also seeking contract employees in the UK.

At the same time, locomotive capacity will start to improve in early 1982 when the first 25 diesel electric locos ordered from General Motors of the U.S. start to arrive. This order was recently increased to 60 locomotives and motive power has been boosted also by hiring nine diesels from Mozambique and four from Zambia. A further 22 locomotives are currently being rehabilitated and will come on stream in the second quarter of 1982.

It is hoped too that movement capacity will be improved next year when the Beira to Umtali oil pipeline, which has been closed since 1966, reopens at the end of this year.

Longer term improvement will come too from the electri*fication of the 335-km line from* Dabuka, near Gwelo in the midlands, to Salisbury, due for completion by the end of 1982.

Stage two of electrification will cover the Dabuka (Gwelo) to Chicualacuala (on the Mozambique border) section of the line to the Mozambique port of Maputo and possibly also the line to South Africa via Beit *Bridge, while* the third *stage* due to be completed by 1990 will cover the Bulawayo to Dabuka line. It is planned to phase out steam locomotives in the mid-1990s.

There has already been a significant shift of traffic to the Mozambique ports of Maputo and Beira thereby reducing, to some extent Zimbabwean dependence on the South African railways and ports. Prior to the constitutional settlement at the end of 1979, all rail traffic was using the direct line via Beit Bridge to the South African ports of Durban, Cape Town, and East London or the indirect line via Botswana to South Africa. The Beira line was reopened early last year and that to Maputo came back on stream in October.

Latest figures show that some 27 per cent of total rail traffic is now using the two Mozambique ports and the balance goes through South Africa. This refers not just to Zimbabwean traffic of course but also regional traffic for Zaire and Zambia.

At present Maputo is handling one train a day of some 2,000 tonnes of traffic but the Mozambique Railways estimate *that* they will eventually be able to cope with three to four times this traffic load on the *Maputo* route. On the Beira line, five trains of 800 tonnes a week are being accepted.

TRANSPORT

TONY HAWKINS

Wagon supplies are not a problem at present. Officials tend to play down the frequent accusations levelled by the *politicians* at the South Africans, who are blamed for trying to "sabotage" the Zimbabwean economy by deliberately delaying traffic movements on their own system. The South African response is *that* they too have a record maize crop and their own system is under very heavy strain.

Diesel fuel is being railed by the South African railways to the Beit Bridge border depot from *where it is being* taken by road to consumers in Zimbabwe. The recent petrol shortage cannot be blamed on the South Africans since the petrol is being brought in by rail from Mozambique, while some aviation spirit *is being brought* by road from Zambia.

Railway development and expansion has increased trade with the U.S., Britain and other countries. The U.S. has the contract for the 60 diesel electric locomotives, while British companies—Westinghouse, Balfour Beatty, GEC and Hawker-Siddeley—have won *signalling* and ancillary service contracts for overhead line, switchgear, etc. The only *electrification* contract not won by a British or local group is the contract for electric locos which has gone to the so-called 50 cycles consortium of West European contractors. Stage one of electrification will cost more *than Z$100m.*

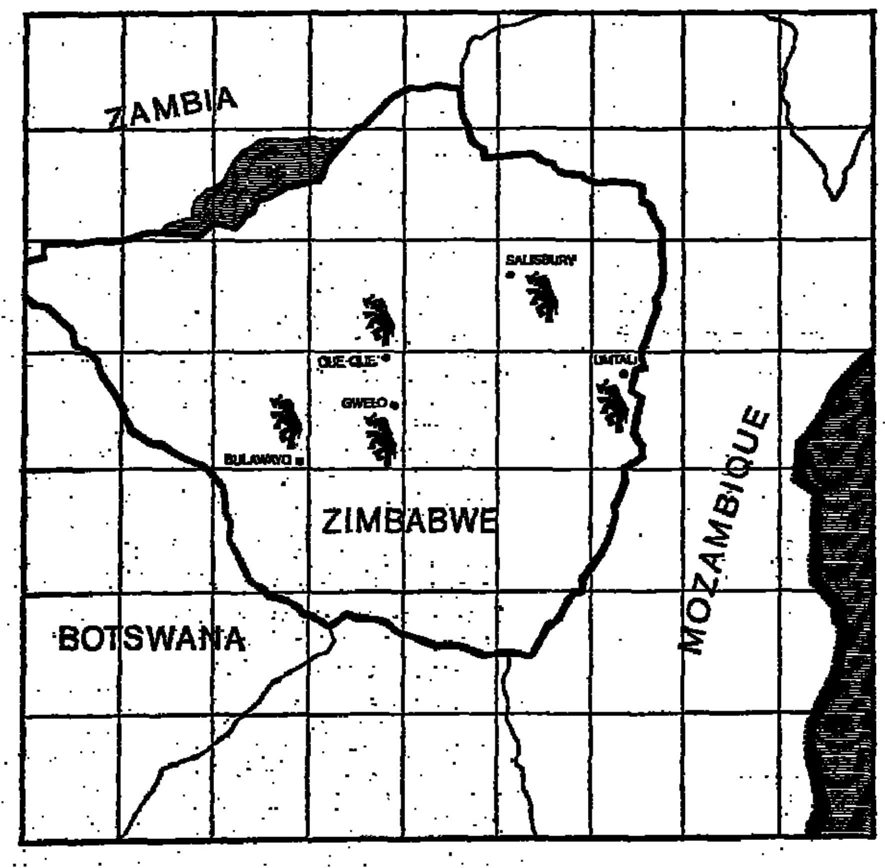
It is estimated that traffic in the current year (1981/2) will be up by at least 20 per cent and possibly more and it seems clear that transport will continue to be a severe constraint on the economy for the next 18 months at least—and probably a good deal longer.

A further problem is finance. The NRZ *say that some 70 per* cent of its traffic is carried at rates held down by the Government to subsidise the economy. According to the World Bank, operating efficiency is high when compared with other African rail systems. Staff productivity averaged 305,000 net ton kilometres per employee in the 1974/79 period rising to 380,000 net ton km in 1980.

With Government having set *its face against* food subsidies, it is possible that the NRZ will be allowed, in the not too distant future, to increase rates *in subsidised traffic. Certainly* this would be good for employee morale at a time when the system is suffering from a debilitating drain of not just skills but also experience.

Air communications have, *predictably, expanded very sub*stantially since Independence. Air Zimbabwe started direct flights to London Gatwick *shortly* after independence and subsequently introduced one flight a week to Frankfurt. The next intercontinental expansion is likely to be to Southern Europe—possibly Yugoslavia or Rumania, not just for political *reasons but to ease access to* the Middle East.

International airlines flying into Salisbury include British Airways, South African Airways, Kenya Airways, Ethiopia Airways, IAM (Mozambique), Royal Swazi and Air India. Lufthansa is expected to fly into Zimbabwe next year and TAP may also resume flights to and from Portugal suspended during the war.



Army integration a major success

THE SHARP knock on the door of the suburban Salisbury home conveyed authority. On the mat stood two policemen, one black, one white. The latter looked *down at his* notebook.

The houseowner's Dalmatian bitch was on heat and neighbourhood dogs had been fighting in an effort to service her. *In the words of policemen* around the world, the said Dalmatian bitch was creating a nuisance. Would the owner please keep her under control?

Eighteen months after a war in which nearly 30,000 people died, the former British South *Africa Police*—renamed the Zimbabwe Republic Police—have reverted from their paramilitary role during the conflict to that of a respected, neutral, peacetime force.

On the military front an equally remarkable transformation has taken place. When the contesting parties met across the table at the Lancaster House *conference in* 1979, about 100,000 men were under arms.

They comprised the Zimbabwe African National Army *(Zanla)* of Mr Robert Mugabe, leader of Zanu-PF; the Zimbabwe Peoples Revolutionary Army (Zipra) of Mr Joshua Nkomo, leader of the Patriotic Front (PF); and the Rhodesian forces, nominally loyal to the then Prime Minister, Bishop Abel Muzorewa, but *effectively controlled by Mr* Ian Smith and Lt.-Gen. Peter Walls.

These forces included some 15,000 men in the regular Army, backed by 20,000 territorials and *20-30,000 black* auxiliaries.

Between them the two nationalist leaders commanded an army of some 55,000 men—roughly two-thirds Zanla and one-third Zipra. *Of these*, 24,000 gathered in assembly places around the country, in terms of the Lancaster House cease-fire.

Others remained in the bush, *at camps in* Zambia, Angola and Mozambique; some were undergoing training abroad; and thousands of *mujibas*—young messengers and helpers—many of whom were later to claim a place in the regular army that was soon to be formed.

The disarming and integration into a national force of three armies presented the *Government* of Mr Mugabe with the biggest single challenge of its first year in office.

Yet progress so far has been remarkable, to the surprise of many observers who feared that the combination of white bitterness and the predominantly Ndebele make-up of Zipra and the Shona nature of Zanla would prove explosive.

A joint high command comprising officers from the three forces worked for the most part smoothly with a 160-member British *Military Advisory* and Training Team, persuading guerrillas to take part in the integration programme.

It was not without hitches, however. *The* first sign of serious trouble came last November when two encampments of Zanla and Zipra in the Bulawayo township of *Entumbane* clashed. The outbreak was soon contained, but a second bout of hostilities last February *threatened* to tear Zimbabwe apart.

Fighting in three of the integrated barracks in the midlands province of Zimbabwe *spread* to Entumbane. At one point Mr Mugabe threatened to use the white-piloted Zimbabwe Air Force *against a rebellious* Zipra column moving from the heavily armed camp at Gwaii River, 150 miles north-west of Bulawayo, towards their colleagues in Entumbane.

By the time the violence had been quelled — using the white-officered former Rhodesia African Rifles — over 100 people, mainly in Entumbane, had died.

As it turned out, the violence provided a salutary shock to both sides. Zimbabwe moved back from the brink of serious disruption and the integration exercise continued.

By the end of last month only 6,000 guerrillas had yet to be *integrated* into an army which now stands at some 65,000, and in which relations between former Zipra and Zanla men are said to be good.

It has been an expensive exercise. Overall defence spending is running at some Z$800,000 a day, and consuming 14 per cent of the budget — though down on the 1979-80 peak of Z$1.1m *a day, taking 37 per cent of the* budget.

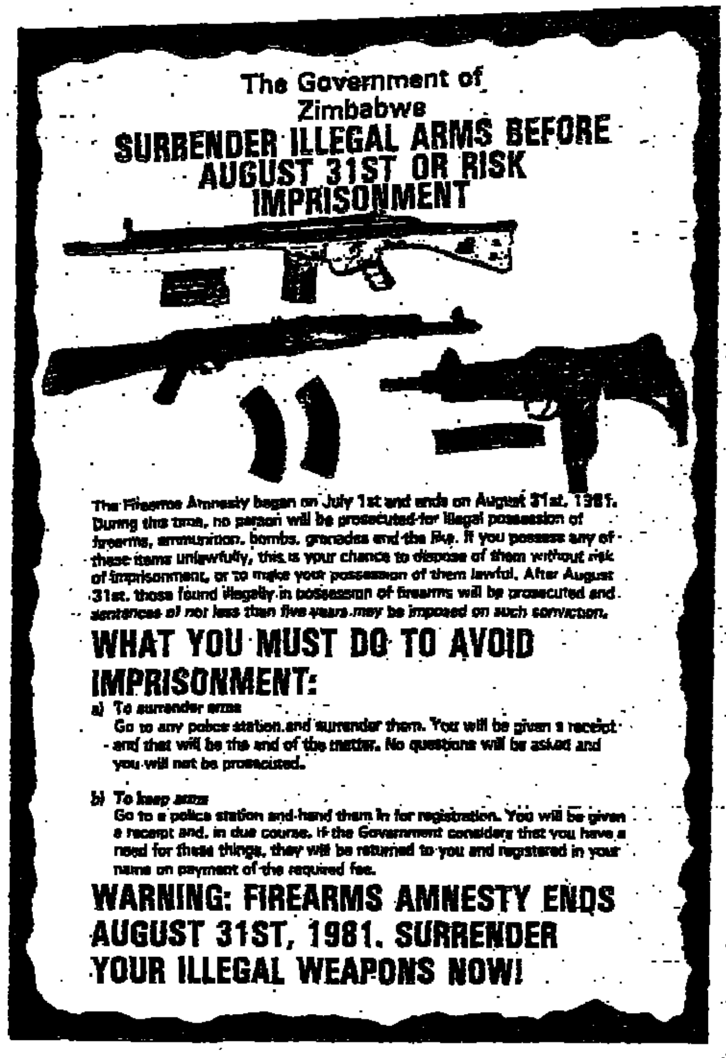
Defence spending is expected to remain high for the next two or three years as the Government sets about the final phase of the military programme: the reduction of the army in stages to perhaps 25,000 — though no official figure is available.

The demobilisation *programme, yet to be formally* implemented although some men have already volunteered, will be costly in itself. To prepare soldiers for civilian life, men who will leave the army will, in addition to receiving Z$185 a month gratuity for up to two years, be offered the chance to take part in training programmes.

Meanwhile, the white component of the Army has been sharply reduced. Units such as the Rhodesia Light Infantry have been disbanded and only 300 or so officers are left in the Army.

The Zimbabwe Air Force is still white-piloted and has a majority of white technicians, however.

Changes have also taken place at the top. Lt.-Gen. Walls retired last July after a dispute with the *Prime Minister* and the joint high command has been disbanded.



The Government of
Zimbabwe
SURRENDER ILLEGAL ARMS BEFORE AUGUST 31ST OR RISK IMPRISONMENT

The Firearms Amnesty began on July 1st and ends on August 31st, 1981. During this time, no person will be prosecuted for illegal possession of firearms, ammunition, bombs, grenades and the like. If you possess any of these items unlawfully, this is your chance to dispose of them without risk of imprisonment, or to make your possession of them lawful. After August 31st, those found illegally in possession of firearms will be prosecuted and sentences of not less than five years may be imposed on such conviction.

WHAT YOU MUST DO TO AVOID IMPRISONMENT:

a) To surrender arms
Go to any police station and surrender them. You will be given a receipt and that will be the end of the matter. No questions will be asked and you will not be prosecuted.

b) To keep arms
Go to a police station and hand them in for registration. You will be given a receipt and, in due course, if the Government considers that you have a need for these things, they will be returned to you and registered in your name on payment of the required fee.

WARNING: FIREARMS AMNESTY ENDS AUGUST 31ST, 1981. SURRENDER YOUR ILLEGAL WEAPONS NOW!

The Government's arms amnesty met with a disappointing response. Under 3,000 weapons were handed in but tens of thousands are thought to be illegally held

Mr Mugabe remains Minister of Defence and Gen. Sandy *Maclean, formerly of the* regular Rhodesian army, is Commander of Combined Operations; *Lt.*-Gen. Rex Nhongo, ex-Zanla, is Army commander, and Lt.-Gen. Lookout Musuku, ex-Zipra, is deputy Army commander. *Air Marshall Norman* Walsh heads the Air Force.

SECURITY

MICHAEL HOLMAN

Perhaps the most contentious military development was the announcement last month that a 106-strong North Korean team, based at barracks near Inyanga on the eastern border, would be training a national army brigade, which would include an unspecified number of tanks.

Mr Mugabe spoke of its possible deployment against "dissidents" and, at a time of considerable speculation about the creation of a one-party state, the news left some senior Patriotic Front officials apprehensive. Mr Nkomo, in a direct clash with the Prime Minister, condemned the move.

The Front's fears have been *heightened by the likelihood* that three of the five battalions in the "Korean Brigade" will be drawn from Zanla, and although the remaining two battalions will include former members of both Zanla and Zipra the brigade will be dominated by Mr Mugabe's supporters.

Military observers in Salisbury see no sinister significance *in this. They point out that* Zanla men do outnumber Zipra after all, though they acknowledge that the *brigade* may well be expected to play a key *internal security role.*

Nor do the observers see the North Korean presence as indicating a marked shift in Zimbabwe's alignment. It is thought to have been the result of an offer Mr Mugabe could hardly refuse. The North Koreans were major backers of Zanu-PF during the war, and ties remain close.

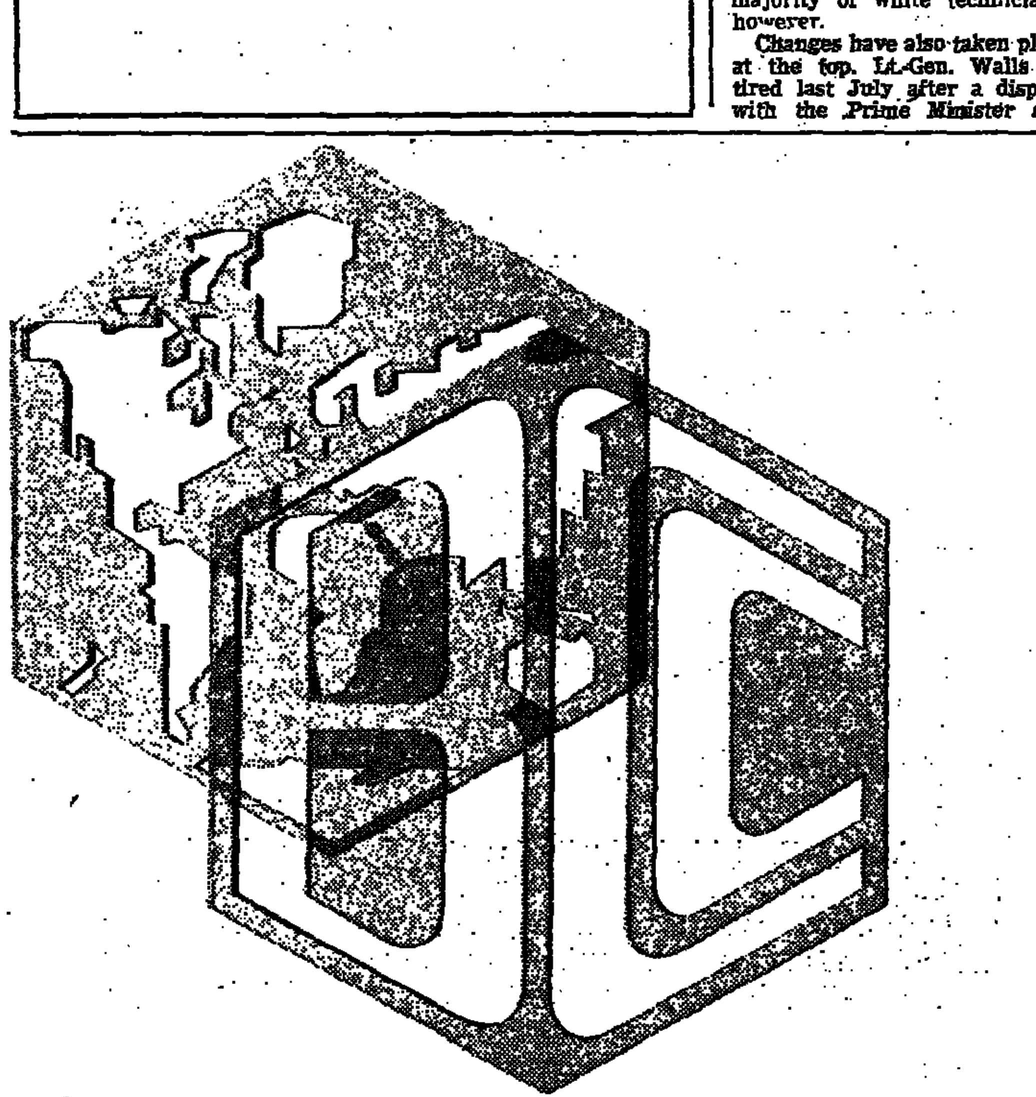
Substantial *military* aid was offered during Mr Mugabe's visit to North Korea last year, and renewed earlier this year, leaving him in no position to turn down help from old allies.

In logistical and training terms, however, the Korean Brigade may pose problems. Maintaining it as a self-sufficient unit will be impractical, for *there must of necessity be a* high degree of integration with the rest of the Army—notably in communications, training and compatability of weapons and other equipment.

This is an increasingly important issue. The new Government inherited *a* range of weapons and munitions, reflecting the different backers *of the three armies. Last month* a massive arms dump explosion — an accident — destroyed millions of pounds' worth of supplies. It has forced the pace of an exercise reviewing Zimbabwe's military needs.

Thus a recent advertisement in UK *papers*, seeking *radio* technicians, mechanics, caterers, dentists and computer operators, offered "the greatest opportunity under the sun . . . if you have a sense of adventure put your special skill to work in Zimbabwe's new national Army."

The country has come a long way from the days when British *governments* were bitterly criticised by guerrilla leaders for failing to stop servicemen joining the Rhodesian Army.



Act in train to ease labour problems

"THE DOMINANT and most lasting impression made upon Commissioners from the outset of the work of the Commission has been the degree of dissatisfaction, the depth of bitterness, ill feeling and sometimes anger, and the frustration expressed by the work force in Zimbabwe today." (Report of the Riddell Commission of Inquiry into Incomes, Prices and Conditions of Service).

THE UNTHINKABLE happened earlier this month. La Fontaine restaurant at Meikles Hotel in Salisbury, favourite venue of journalists, businessmen and visiting politicians, turned away lunchtime diners. Hotel staff were on strike. Not even during the trials and tribulations of the UDI years had the Salisbury establishment been subjected *to such inconvenience.*

Fortunately, a government official intervened, the problem was resolved, and workers were back at the tables that night. Things did not go so smoothly in the first months after independence, marked by a countrywide wave of strikes. Government is now better equipped to deal with them and in the meantime has introduced *minimum* wages.

But the warning of the Riddell Commission still *holds*, for the accumulated resentments and high expectations of the 1m-strong labour force are a powerful combination.

Nor has government had time since independence to work out a new industrial relations *framework in which* workers' grievances can be expressed. It inherited the complex and *authoritarian Industrial* Conciliation Act which at least needs overhaul and may well be replaced by a new act.

For any businessman needing to come to grips with labour and associated issues in Zimbabwe, the Riddell Report is *required reading*. The 330 pages are encyclopaedic in their coverage of incomes, prices, *conditions of service, trade* unions, taxation, job evaluation and more besides. It is suprising that what could prove to be a major government policy tool affecting everyone from managing directors to factory floor workers and peasant farmers, has not been widely distributed in a short, simplified version.

The answer may well be that *Government* itself has mixed feelings about the merits and implications of some of the Commission's *recommendations.* What is clear, however, is that as in so many areas, the Government faces a formidable task in drawing up a manpower policy.

The formal education system churning out scores of thousands of young people each year who cannot be absorbed in the formal work sector, yet are ill-fitted for any *alternatives. The trade* union movement is poorly organised and without a clear role. Skilled manpower is short and exacerbated by a white emigration rate of at least 2,000 a month.

It should be said, however, that the manpower inheritance of the government would have been the envy of neighbouring states. *Zambia, for example*, came to independence with a handful of graduates. By contrast Zimbabwe has several thousand blacks who have passed through either the University of Salisbury or at institutions abroad.

Ironically, the guerrilla and the long call-up of whites forced employers to make greater use, at higher levels of responsibility, of their black staff.

Perhaps the Government's most notable success to date has been the massive expansion in school enrolment. Primary school pupils shot up from 819,000 in 1979 to 1.236m in 1980 and 1.680m this year. Secondary school figures are equally startling, jumping from 893,000 in 1979 to 1.310m in 1980 and 1.825m this year.

Primary school enrolments are expected to reach 2m by the end of the next decade—an expansion which needs 2,500 to 3,000 new teachers each year. The proud boast of the Ministry of Education is that over 90 per cent of school age children are in *classrooms.*

MANPOWER

MICHAEL HOLMAN

But as a senior official remarked: "We have coped with the quantitive problem—now we must tackle the *qualitative* problem — what sort of education should the children be getting?"

Dr Herbert Murerwa, secretary for the *Ministry of* Manpower, Planning and Development, reminded a recent seminar on education that rapid expansion of formal education in other African countries had simply produced "educated unemployed."

"Education," he said, "must prepare our young people for the world of work. With appropriate skills and knowledge, young people could organise self-employment programmes for themselves in the informal sector."

It is a pressing problem. The *Zimcord meeting* in Salisbury earlier this year had before it an estimate that if the economy expanded at 8 per cent a year in real terms, 85,000 jobs would be created each year in the modern sector—yet some 187,500 work-seekers come on to the market each year. The Riddell Report notes that "if only 75 per cent of them look for work, then there will be a shortfall of over 50,000 jobs each year in the modern sector, to be absorbed by the peasant sector or the informal sector."

Setting aside the issue of *what sort of education should* be provided, the Government also faces a more immediate problem: the shortage of skilled manpower.

Reliable figures are hard to come by, and the Government has embarked on a National Manpower Survey which will give a clearer picture. The once-off boom expansion of the *economy* after independence inevitably placed skills at a premium but provides no guide *for long-term needs. The shift* of whites from the public to private sectors has also distorted the picture, while at the same time there are undoubtedly blacks performing skilled work but without recognition either in terms of pay or status.

Nevertheless, such figures that are available are worrying. At the start of this year 40 per cent of the 2,432 skilled posts in the public service were unfilled. The Central Mechanical and Equipment Department, for example, had 130 vacancies for artisans in an establishment of 348 posts.

Occupations most severely hit include accountancy, engineering, medical, scientific, agricultural research and extension, veterinary, mechanics and a range of artisan occupations including fitters, turners and boilermarkers.

The Government *refuses* to respond to these shortages with an open-door immigration policy, partly because officials are far from satisfied that employers are doing enough to train their black staff or use existing skills to best effect. And there is also a distaste for the prospect of buying such skills on terms sought by ex-patriates, such as the right to remit a proportion of local earnings.

The Government's economic policy statement issued in February this year, "Growth with Equity," acknowledges *that, in the short-term,* external recruiting may be necessary. "Nevertheless," it goes on, "*Government is fundamentally* opposed to any system of external recruitment based on expatriate conditions."

So far, Government has been able to maintain this policy, bringing in some 200 teachers, for example, on local conditions, as well as railwaymen from India and Pakistan. Whether the policy can be maintained *remains to be seen.* In the past, Zimbabwe was able to manage without expatriates because immigrants for the most part identified with the white community and were readily assimilated.

Of course, the Government may now be able to find immigrants equally ready to identify with an independent black administration and be quite prepared to accept local terms. But the country's immigration *policy has heavily depended on* links between the white community and friends and relatives abroad. Today the morale of Zimbabwe's 200,000 whites is uncertain and they are less likely to advise those same friends and relatives to come and "settle."

On the trade union front, some of the divisions of the past have—on paper at least—ended, though the movement remains generally ineffectual. *Black unions, which had divided* into two camps, came together *in February* this year to form the Zimbabwe Congress of Trade Unions (ZCTU), whose general secretary, Mr Albert Mugabe, happens to be the brother of the Prime Minister.

As Mr Mugabe himself readily acknowledges, ZCTU faces considerable difficulties: a *shortage of trained officials, inadequate* funds, and a tiny proportion of paid-up members in relation to the workforce.

The country's registered unions have a membership of only 80,000, and even if paid-up members of unregistered unions are taken into account, under 20 per cent of the 1m workforce is unionised.

They operate under a *system* which Government accepts is highly unsatisfactory—industrial *councils, for* example, *cover only* 16 per cent of all employees. For the rest, points out the Riddell Commission, there is no system of collective bargaining. Another problem is that more than one union can be represented in an industry—thus there are four *railway* unions.

In an effort to fill the gap in labour relations, Government has encouraged the establishment of workers' committees and works' councils—a move ac*cepted by the ZCTU.* But it is unclear as to what real authority such liaison groups will have, *or how they will eventually fit* in to the labour movement.

Meanwhile, the Government has drafted a National Labour Relations Act to replace the Industrial Conciliation Act, and discussions on the draft are currently taking place with unions and employer organisations.

Rapid post-war recovery not without problems

CONSIDERING that memories of a savage civil war are still recent, and that tourists shy clear of countries they associate *with instability* and *violence*, the recovery of Zimbabwe's tourist industry over the past 18 months has been remarkable. With security now assured throughout the country, there ought to be no difficulty in building on this achievement. But here, as in so many sectors, Zimbabwe's progress will be affected crucially by the relationship with South Africa.

Zimbabwe is extraordinarily beautiful; the climate is *excellent, the locals are friendly*, ungrasping and English-speaking. The infrastructure is considerably better than elsewhere in Black Africa. It is, by and large, a clean, well-tended efficient country, which contains one of the wonders of the world (the Victoria Falls), one of the finest historical sites (Zimbabwe Ruins), a selection of excellent and well-run *game parks*, and a kopje-strewn landscape that ranges from forested mountain to semi-arid bush. Its only weakness in comparison with countries like Kenya and South Africa is that it has no coast: Lake Kariba tries hard but *cannot beat the* Indian Ocean.

The statistics show the speed of post-war recovery. In 1979 visitors totalled a mere 79,000; in 1980 they soared to 273,000, reflecting *a "curiosity" factor* on the part of both businessmen and tourists (holiday-makers always account for over 80 per cent of arrivals). While this curiosity is waning, the Tourist Board's projection for 1981 is 357,000 visitors, contributing Z$30m foreign exchange. It is estimated that by 1986 the figure will have exceeded the *1972* record of *405,000*, and be topping 500,000.

Some industry sources wonder whether this should not be set as a ceiling. They ask whether Zimbabwe can or should try to cope with more than 500,000 visitors without *risk to the habitat . . . such* as driving away the wild life, or spoiling the Zambesi rain forest.

The hoteliers are unimpressed by such anxieties. They are more concerned to see the final figures for 1981, because they realise that last year's surge was a freak which has made it difficult to judge the speed with which new hotels and lodges are needed. There were fears last year that Salisbury had become a bottleneck, so there are plans for at least three major new hotels, although only one, a Holiday Inn, is definite.

TOURISM

J. D. F. JONES

Curiously, Salisbury, although it has excellent and well-known hotels such as Meikles, has none with five-star status or large *conference facilities*. Two of the projects propose to fill these gaps. There has been no shortage of interest on the part of international hoteliers—Mr Ian Dixon, deputy Director of tourism, talks of "an unending caravan of hotel people from all *over the world*." The minister responsible for tourism, Dr Nathan Shamuyarira, confirmed to the *Financial Times* that a Tourist Development Corporation would be set up before the end of the year and spoke of the government's *interest* in taking a 40 per cent participation in suitable projects.

Visitors to Zimbabwe are divided into two main markets—the South African and the international—and there are problems affecting both.

The South Africans traditionally have been the most important group of visitors. In *January-May this year they* accounted for 36,430—very nearly double the total from Western Europe—out of a "departing visitors" figure of 118,000. From June 1, however, as a result of deteriorating relations between the two governments, South Africans have required a visa to enter Zimbabwe.

Even if the bureaucracy can be speeded up (visas have been taking over three weeks) this is likely *to act as a deterrent* to the more spontaneous type of busines or holiday visitor. Dr Shamuyarira admits *that it* will cut down the flow from the south "a great deal," although he emphasises that it applies only to South African passport *holders.*

South Africa is also relevant to the longer-term planning. Because Zimbabwe does not have sea, European or American tourists tend to include a few days in Zimbabwe only as one of a number of destinations *on their ticket.* The tension between Salisbury and Pretoria now makes it sensible for Zimbabwe to try to create an "independent Black circuit" in which the tourist can find all he wants of Africa without needing to go south.

Attention is now being paid to co-operation between the Central African states and even with Kenya. One plan envisages an Organisation of African Travel Services, while Zimbabwe Sun Hotels, according to its managing director, Mr Colin *Walker*, is considering an arrangement linking Mozambique with Zimbabwe, which would give the tourist the Indian Ocean plus Zimbabwe's game — in addition *to* the Victoria Falls, which remains the country's greatest tourist asset.

There is a third problem, which is possibly the most serious: the high cost of flying to Salisbury from Europe. Kenya is quoted as an example of a *country which has managed to* offer inclusive tours within the reach of the average prosperous *European. Air Zimbabwe and* British Airways offer nothing to compare with Kenya prices, and although the government hopes that competition—in the shape of new European carriers currently negotiating schedules to Salisbury—will bring down fares, there is no early sign of a breakthrough.

WORLD OIL DEMAND

The battle is not over

By Ray Dafter, Energy Editor

DR SUBROTO
"one-time shift"

HOW ENERGY BALANCES WILL CHANGE

(Reference case for IEA countries: m tonnes of oil equivalent)

	1979	1990	2000
Total primary energy	3,612	4,236	5,100
Non-oil energy consumption	1,794	2,666	3,780
Oil consumption	1,818	1,570	1,320
of which: net oil imports	1,206	974	730
Domestic energy production	2,486	3,142	4,205
Coal	727	1,100	1,770
Oil	707	678	680
Gas	695	713	750
Nuclear	123	336	555
Hydro	232	285	350
Net non-oil imports			
Coal	11	60	40
Gas	30	142	215
Total final consumption	2,617	2,918	3,369
Industry (inc. non-energy use)	1,040	1,270	1,667
Transport	737	709	680
Residential/commercial	840	939	1,022
Net oil imports (m barrels/day)	24.5	19.8	14.8
Oil consumption as % of total energy	50.3	37.1	25.9

Source: IEA Secretariat estimates

DR ULF LANTZKE
"expect the unexpected"

A SURPRISING reception awaits visitors to the International Energy Agency's nondescript headquarters in Paris.

For a start, it is not easy to get in. The security arrangements could have been modelled on those of Fort Knox — a precaution introduced largely on the insistence of oil companies which have deposited their *precious trading data and forecasts* with the secretariat.

And the serious, at times puzzled, expressions on the faces of the agency's multi-*national staff do not seem right* at a time of an oil glut, when the world appears to have brought the energy supply and demand balance so much under control. Shouldn't they be celebrating?

In truth the IEA—set up by the main industrial countries to counter the growing influence of the Organisation of Petroleum Exporting Countries (Opec)—is in no mood to kick sand in the faces of oil exporters. Agency analysts are worried that the indicators, however favourable, may obscure longer-term problems.

Opec production at low ebb

From the major energy consumers' point of view, the short-term trend is encouraging. *Energy use within member* countries of the Organisation for Economic Co-operation and Development (OECD) fell by 3.2 per cent in 1980, as against the previous year, and by a further 2.8-3.0 per cent so far this year. The drop in OECD oil demand has been even more dramatic: down 8 per cent in 1980 and a further 6 to 7 per *cent this year.*

Opec oil production, estimated to be about 20.5m barrels a day (almost half of installed capacity and about two-thirds of the current *availability*) is at the lowest level on an annual basis since 1968. And major oil companies are so relaxed about the availability of supplies during the coming months that they have already begun to run down their high stocks kept in reserve for raised winter demand.

The problem facing analysts within the agency—and within Opec for that matter—is that no-one has yet been able to un*tangle the various factors that* have led to such a marked swing in energy balances.

Reduced demand for energy, particularly for crude oil, has been caused by a combination of the slump in worldwide economic activity, consumer resistance to higher prices, the switch by users from one fuel to another, and the deliberate introduction of conservation measures.

Dr Subroto, president of Opec, recently warned about reading too much into the sav*ings caused by "one-off" events.* Addressing the prestigeous Oxford Energy Seminar Dr Subroto referred to last year's drop in U.S. petrol demand which, he said, accounted for about 400,000 barrels a day of the decline in world oil consumption.

"Enhanced fuel efficiency and conservation are essential to the orderly and secure evolution of our oil and energy future," Dr Subroto said. "But it can be misleading to jump too rapidly from aggregate data *to general* conclusions."

On the face of it, energy savings of about 25 per cent have been achieved in the past seven years or so. This superficial view arises from a comparison of current energy demand with consumption levels *projected in the early 1970s.*

In 1973, for instance, Exxon forecast that by this year non-communist world energy demand would be running at the equivalent of over 125m barrels a day of crude oil. It further projected that by 1985 energy demand would have risen to 162m b/d of oil equivalent (b/doe). The forecasts looked reasonable at the time, given that energy growth rates in the early 1970s had been running at 3.4 to 5.5 per cent annually.

In the event it seems unlikely that demand this year will rise above 95m b/doe. And according to the latest energy report of Bankers Trust Company, 1985 demand could still be only 106.5m b/doe—an apparent *drop of 34 per cent from the* level *originally* expected by Exxon.

A more accurate measure of fundamental changes in energy *balances* can be obtained from comparing demand with the economy as a whole. Here it has been found that energy use per unit of Gross Domestic Product in IEA member countries declined by almost 13 per cent between 1973 and 1980. Over the same period oil use dropped by about 20 per cent when assessed on a comparable basis.

Mr Fred Gorbet, director of the agency's Office of Long-*Term Cooperation and Policy* Analysis, said the changes indicated a general improvement in the efficient use of energy—particularly among oil consumers. There had also been a significant substitution of other fuels for oil.

There remains considerable potential for further savings through more conservation. IEA member countries project that in the 1979-80 period, energy use per unit of GDP could decline by a further 14 per cent.

The IEA has already called *for stronger conservation action* from many of its members, including Britain where Mrs Thatcher's Government has adopted a policy of market force encouragement (through *high energy prices*) and information and has largely eschewed fiscal incentives like grants and loans. "There must be a contribution from both *market forces and public policy* measures," says the IEA*, a view shared by the newly created Association for the Conservation of Energy.

The association, based *in* London, was set up largely because manufacturers of conservation equipment were concerned about the woolliness of British conservation policies.

Experience of the mid-1970s has shown that conservation *loses much of its appeal when* oil prices are falling in real terms—as at present. In its energy analysis Bankers Trust sees little prospect of oil prices rising much above the general inflation rate before 1985. The forecast is based on an assumption that demand for Opec oil will remain well below the organisation's production capacity *at least until the mid-1980s* and possibly through to the 1990s.

Paradoxically, the demand for Opec oil—and the organisation's *pricing expectations—will* be greatly influenced by the IEA's success in encouraging a switch from oil to other fuels. Ever since the agency was formed, in response to the 1973 energy crisis, it has striven to encourage member countries to lessen their dependence on imported oil, and Opec's oil in particular.

The campaign seems to be working. IEA member countries —essentially all of the developed nations with the exception of France—relied on net oil *imports to meet about* 35 per cent of their total energy needs in 1973. The proportion is now less than one-third. The agency secretariat believes that oil imports could be meeting just 28.6 per cent of the IEA's energy demand in 1985, 23 per cent in 1990, and only 14 per cent at the turn of the century.

It is IEA's hope that by the end of the century oil will have been virtually eliminated from electricity generation. (It now accounts for almost one-fifth of the fuel used in power plants.)

Manufacturing industry is expected to become more efficient in its overall use of energy and substitute coal for much of its oil requirements.

But still agency staff remain troubled by nagging doubts. *They are concerned that in the* current climate of oil glut, economic recession and low growth expectations the drive to provide more alternatives to imported crude oil will be hindered.

President Reagan's announcement last week that the U.S. Energy Department is to be abolished is a further sign that leading industrialised countries have become more relaxed about supplies, more confident that market forces will lead to the development of fuels to replace imported oil. But the battle is far from won.

Tall order for nuclear power

The IEA is working on the assumption that nuclear power output will grow by 170 per cent *in the next decade and by* a further 65 per cent in the 1990s. The use of coal is expected to grow by 150 per cent and account for 35 per cent of total IEA energy use by the end of the century, compared with about one fifth today. These are tall orders.

But what is still not known is whether the progress is real *or phoney. Analysts say they will* be able to judge structural changes in energy balances reasonably accurately only when the world's economic growth is revived. Even then the picture may not be clear. For as Dr Ulf Lantzke, executive director of IEA, concludes: "If there is one major lesson to be drawn from the 1970s, it is that we must continue to expect the unexpected."

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* Energy Policies and Programmes of IEA Countries, 1980 Review; July 1, 1981: International Energy Agency, OECD Publications, 2 rue André-Pascal, 75775 Paris Codex 16.

Lombard

A new approach to EEC associates

By John Wyles in Brussels

IT IS eccentric and short-sighted of the EEC to be launched on the most thorough review and reform of policies since its creation without reconsidering the policy commitment which poses the greatest single obstacle to its future development—enlargement.

The Ten recognise that the accession of Spain and Portugal poses very severe agricultural and industrial problems. Yet they have felt powerless to confront the desire of both the Portuguese and Sapnish governments to consolidate their youthful and fragile demo*cracies through membership.* Moreover, such is the Community's strength as an economic and trading entity and such is the potential development of its foreign policy co-ordination that its attractions are bound to be magnetic not only for Spain and Portugal, but also, perhaps, for Cyprus and Turkey.

Now surely is the time for the Ten to recognise that there are limits to the economic and political diversity which can be accommodated within a structure aiming for close integration and harmonious development on everything from insurance services to monetary policies.

The costs of the present "open door" policy on enlargement could well be growing internal disharmony and political immobility. What is needed is a recasting and re*definition of the concept of* "association" by which applicant countries are meant to prepare themselves for eventual membership. Greece had such an agreement, Turkey, Cyprus and Malta have one, Spain and Portugal do not.

The weakness of such agreements has been that they have failed to confer special status on the "associate" countries. Increasingly, they have found the Community's readiness to make trade concessions either grudging or non existent while *its interest in ensuring* that a country is making correct internal preparatory moves towards membership is extremely vague and intermittent.

Instead of negotiating membership with Spain and Portugal, the Community ought to be offering these countries a genuinely different status as associate members. It ought to negotiate an agreement on a detailed programme of economic development and harmonisation of tariffs which would offer real prospect of a gradual and flexible adaptation to the rigours of full membership.

Politically, the Community should acknowledge the "associate" country's desire to be involved in foreign policy and external trade matters by setting up systematic consultation and information sharing designed to achieve the closest possible identity of views.

The "associate" countries might object that they would be excluded from participating in the development of internal Community policies affecting their interests. A new system of consultation would aim to take their views into account, but the point of "associate" status is that it would acknowledge that these countries are by definition unready to share in new developments and should not be in a position, therefore, to block them.

Other reasons why the Community ought, at the very least, to review alternatives to enlargement include the fact that it may well be forced to do so by political changes in at least two member-countries, Greece and the UK.

If Pasok wins next month's general election in Greece, it could well seek to change the terms of Greek membership so as to acknowledge the fact that its particular economic and industrial requirements are rather different from any other member-state's. By the same *token, a Labour Government* in the UK would be quite likely to seek a new relationship with the Community based on severing some membership links and the preservation of others. In both cases there could be advantages in the Community being able to offer a flexible response.

Letters to the Editor

Millionaire farmers—no need for depression

From Mr A. Sutherland

Sir,—Mr G. W. Gardiner (*September 23*) is again fertile with misconceptions.

It is not the case that any farmer needs to borrow money at interest of 15.5 per cent from the Agricultural Mortgage Corporation in order to finance his bill for capital transfer tax. Throughout the existence of CTT the Inland Revenue has been compelled to finance him, and at zero interest—for he is entitled to pay the tax by eight annual instalments and, the Revenue must charge him nothing for that privilege.

As I said in March, that concession, assuming a discount rate of only 10 per cent—and not 15.5 per cent—and an inflation rate as low as 10 per cent *reduces the* farmer's already especially low tax bill by half. The Budget was especially kind to the very rich, because *the* previous "ceiling" for the interest-free privilege—£¼m of tax base i.e. £1m for a family farm—was entirely abolished.

It is not the case that "henceforward" the double discount system has been stopped. Those farmers who have already formed the right kind of partnership will continue to be able to value their land at both 40 per cent off because it is tenanted—by themselves—plus a further 50 per cent *off* because they are also working farmers. That is so for the first transfer after the Budget—which may be any time in the next 30 years. Such farmers indeed do better than before the Budget, because now they too—like all other agricultural landlords—have been given access to the interest-free instalment privilege, with no ceiling.

Those farmers who have been too slow to take tax advice will continue to enjoy "only" the privilege of 50 per cent off the *valuation, and payment* by interest-free instalments, plus the standard effect of splitting ownership with a spouse, and *the great* reductions given to everybody in the Budget by the ending of lifetime cumulation, and the lowered rates for lifetime transfers.

Consequently it is not the case that my earlier estimate of the tax liability on the transfer of a farm worth £4m—which in any event is not a typical farm, since it is some nine times the average farm size—"seems to be optimistic." On a transfer *at death, with only one decade's* worth of tax-free transfer, the tax rate is indeed 12 per cent—and not the 17 per cent (£685,000), plus annual interest of £113,000 for 20 years, invented by Mr Gardiner. If the farm enjoys the double discount, then the tax rate drops to 5 per cent. For a transfer during life—also with interest-free instalment privileges for farmers—the tax rate would be even lower, because of the large reductions made by the Budget in the top rates of lifetime tax.

Any "depression" about the maltreatment of millionaire *farmers is quite* without foundation. The Budget did indeed reduce their minimal CTT burdens even further.

Alister Sutherland.
Trinity College, Cambridge.

Credit cards mean less cash for the thief

From Mr J. Lean.

Sir—I have been reading (September 21) those parts of your supplement on UK Banking which deal with credit cards with considerable interest.

When Barclaycard and, later, *Access credit cards were intro*duced, this was a relief as we had only the need to carry quite small sums of cash around for those immediate day-to-day necessities which demand cash payment. Even today, £5 is a large sum in my wallet.

Quite frankly, we see no need for any of the "in-store" credit cards, since they would tend to tie one to that store for its particular line of goods.

The Monopolies Commission's suggestion that credit card *sales should* be charged at a higher rate will tend to make some people revert to carrying large amounts of cash on their persons and thus become *muggers'* targets.

The suggestion is also anathema to us on the implication that the supplement is necessary to pay the commission levied by the *credit card com*panies. Surely, if the retailer has less cash in his shop, he is less likely to be the object of theft. I suggest that the money *saved on reduced* insurance premiums should be enough to offset most, if not all, the credit card commission.

I wonder what the large insurance companies had to say to the Monopolies Commission *on this aspect of their business?* Their comments would be most interesting as no discussion seems to have been reported so far.

J. L. Lean.
75a, Studley Grange Road, W7.

Scots' feelings roused by bank bid

From Mr C. McAllister

Sir,—Dr Scotney (September 25) perhaps does not recognise a rhetorical question when he sees one.

Of course the Royal Bank of Scotland belongs to its shareholders. These may or may not —I do not know—involve a majority of Scots or Scottish institutions, but in take-over bids of this importance the private interest is not the only one to be considered, which is why we have a Monopolies and Mergers Commission.

Dr Scotney is misinformed if he thinks the Bank of England has neither issued share capital nor private nor institutional shareholders. If he would care to consult the Bank Return for September 23, printed in the same issue of the Financial Times as his letter, he will find that the Bank of England has capital of £14,533,000, which since the Bank of England Act of 1946 has belonged to the Government, an institutional shareholder. Although my analogy was not meant to be taken seriously, I can see no reason why the Government should not accept a take-over bid for *the Bank from* Bank of America if it so desired, but the question is, would it be in the national interest for it to do so?

Nor is it correct to say that the Bank of England can call up unlimited interest-free deposits from the clearers. If Dr Scotney refers to Special Deposits, they are not interest-free, and in any case, the Bank cannot call up unlimited amounts of these without precipitating a liquidity crisis and multiple contraction of the money supply.

Finally, had he been alive in Scotland before 1845, he could have been grateful, set up for life, and humbly apologetic in that order, by setting up his own bank and issuing his own notes (if he could persuade anyone to accept them), by common law right. Parliament however by the Banknotes (Scotland) Act 1845 removed that right, so I regret that I cannot oblige him.

C. A. McAllister.
140 South Street,
St Andrews,
Fife
Scotland

Work sharing should become a reality

From Dr D. Cole

Sir,—Currently, Britain enjoys the fruits of the first Industrial Revolution, it also lives with the many scars deriving from that same period. We now need to face up to the arrival of the microprocessor, which will bring with it an end to full employment as we understand it today. We may need to contend not with 3m people *unemployed but perhaps many,* many more.

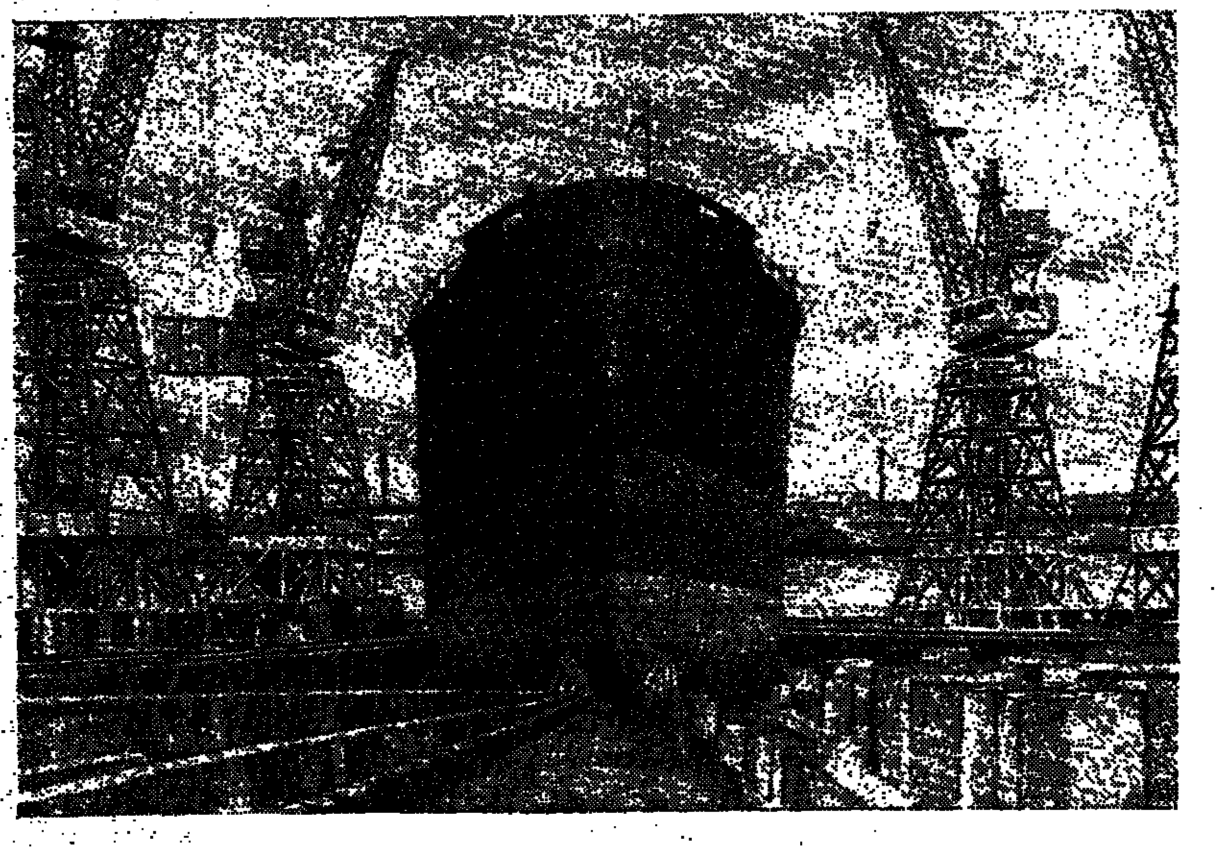
I would suggest that work sharing become a reality rather than just an idea. In concrete terms we could commence by reducing the working week. For example a factory working a normal five day week would continue to operate *for* five days, but the employees would *work for four* and *a-half* days. A suitable rota system would need to be instituted which would need an *increase of 10 per cent in numbers employed* for output to be maintained. Operated on a national scale, this would mean a reduction in national unemployment from 12 per cent to 3.7 per cent. Wage and salary levels would be maintained, thereby increasing labour costs to the tune of 10 per cent.

For those companies who comply, reduced levels of national insurance contributions payable by the company would be invoked for a limited period of (say) three years—the level would be designed to make it attractive for companies to comply, *making legislation* unnecessary. Individual companies will not lose financially, although they will have to face the difficulty of instituting working rota systems; more significantly their products will remain as competitive as at present in the world market

Without question the Government will lose income. It can, however, be calculated that half the loss is immediately counterbalanced by the saving of £8bn currently expended on unemployment benefit. Hidden benefits will accrue. With a vibrant economy there will no longer be the need to shore up ailing industries like British Steel Corporation and British Leyland which between them consume a further £4bn

It will not be an easy decision for the Government to implement this idea. In the first place it would need to have the blessing of the CBI and the TUC. I believe it is a suggestion which can be moulded into a viable system.

(Dr) D. Cole.
Silverton,
10, Rye, Puriton,
Bridgwater, Somerset.



Lesney reduces halftime loss as demand expands

ECONOMIES and rationalisation enabled Lesney Products and Co, the toy manufacturer, to reduce the mid-term loss despite sharply lower sales. The pre-tax deficit was down from £5.94m to £3.87m after interest costs of £2.49m, against £3.57m, for the 24 weeks to July 12 1981. Again there is no interim dividend.

Sales fell £12.45m to £26.28m reflecting particularly the sale of *Metal Castings (Worcester)* and elimination of unprofitable products.

Also heavy demand on the group's factories created a shortfall of output leading to substantially higher than normal unfilled orders. "If these had been despatched within the period we would have been *ahead of mid-year target*," says Mr Gordon Hay the chairman.

During the half-year there was a steady improvement in the rate of sales and to meet the expanding order book production facilities are now being *worked at an increasingly* higher level of efficiency than over the last two years.

Also a change in the pattern of ordering by customers, as they seek to minimise stocks by postponing orders into the second half, should raise the proportion falling in the second half.

"Therefore a satisfactory balance of our supply and demand will enable us to be on course at the year end," the chairman adds.

The attributable loss for the 24 weeks emerged at £4.43m (£6.65m) after tax of £233,000 (£52,000) and extraordinary debits of £323,000 (£667,000) relating mainly to sale value of properties held for realisation.

Net loss per 5p share was 12.43p (18.09p) and at halftime net assets per share amounted to 56.4p *(95.3p)*.

Preference dividend cost £18,000 (same).

Fore the whole of the year to January 25 1981 the group loss before tax was £10.96m on sales of £90m, and no distribution was made.

Surplus property has been sold since midterm for a surplus *of £1.3m*. Working capital and borrowings continue to be tightly controlled above target.

"Indeed stocks would in the past *have risen substantially* in the summer months, whereas we have contained them to a level only 10 per cent above the year end, most of this accounted for by inflation," *Mr Hay points out.*

At midway borrowings were down from £44.38m to £33.66m and shareholders funds stood at £19.07m, against £32.76m. Stocks were down from £37.86m to £21.31m.

● comment

Lesney has completed its major rationalisations, and is now working on improving the operations of the remaining *rump*. Orders here are running about 10 per cent higher than this time *last year; in fact* the group has missed some sales in the first half by under-estimating demand. So far the company has not seen the order cancellations apparently experienced by some of its competitors, and the second *half loss may be* contained at less than £1m. But debt is still uncomfortably high, at 175 per cent of shareholders' funds, and the group is reporting regularly to its bankers. The shares fell 2p yesterday to 13p, *capitalising* the company at a fifth of net assets.

Solicitors' Law near to sale

DEPRESSED half-year pre-tax profits are shown by the *Solicitors' Law Stationery* Society for the period ending June 30 1981 and negotiations have reached an advanced stage for the sale of the group's book and periodical publishing interests.

Pre-tax profits slipped from *£70,203 to £63,487—last year's* figure was after an associated company loss of £190,078.

Sir Edward Singleton, the chairman, is negotiating the disposal of the book and periodical publishing interests, *which will require shareholders'* approval, to improve the balance sheet.

The group has contained borrowings within the existing facilities, says Sir Edward, but trading conditions have not enabled the company to significantly reduce borrowings. The sale would improve net assets and eliminate the exceptional loss at half year.

The group announced it was open to offers for the book and periodical publishing interests in July. It received eight offers for the subsidiary and contracts are expected to be signed before the end of October. The sale price was described as "substantial."

Turnover was slightly down at £11.39m (£11.49m). There was no tax charge (£115,634). Extraordinary debits totalled £311,629 (£271,444), which included a loss of £213,577 on the sale of the controlling interest in a subsidiary, £91,378 redundancy costs and £6,674 for exchange adjustments.

Trading losses of £164,000 were made at Bradley and Son and C. E. Dawkins (Typesetters). The group has sold its holding of 60 per cent of shares in Bradley and further rationalisation will take effect at Dawkins by the end of October.

Oyez Services was badly hit *by the Civil Service strike. Oyez* Computers improved considerably as previous investment begins to pay off. Oyez Stationery remained in profit

● comment

The corner has been turned at Solicitors' Law. Compared with a second half 1980 loss of *£700,000* the company has bounced back wth a first half profit of *£63,487* now that the lossmaking associate is out of the way. This was after allowing for large losses at the Dawkins printing subsidiary where further rationalisation should ensure profitable trading by the end of October. Elsewhere the group's printing division has performed well and the group is investing heavily here. The computers side has contributed a profit for the first time and the group expects substantial benefits from this business in the future. The stationery division has not *shown much growth* but with a large turnover any small improvement in productivity would quickly show through in profits. For the full year the group expects a repeat of the first half performance. Borrow*ings remain high at around* £2.8m, roughly equal to shareholders' funds, but if the plan to sell the publishing interests is successful debt will be reduced substantially. The shares remained at 28p yesterday in a *tight market. Mr Robert Maxwell* confirmed that his 23 per cent stake is an "investment:" and International Thomson's 50.1 per cent is not for sale.

LANCA INCREASE

HANDBAG MANUFACTURER Lanca boosted pre-tax profits to £89,884 in the half-year to June 30, against £50,847. Turnover increased to £1.04m, compared with £844,500.

Tax took £46,700 (£26,500) after which earnings per 20p share were given *as* 3.93p (3.03p).

Forecast confirmed by CEI

LOWER pre-tax profits are reported by **Cambridge Electronic Industries** from £3.12m to £2.62m, and the directors confirmed pre-tax profits for the year will be not less than the £5m indicated in the June prospectus. The *first interim dividend is 1.25p.*

Turnover is running below the levels of 1980, largely because *of a fall in orders in the last* quarter of that year. This mainly affected the electronic and elec*trical components section of the* business.

The outlook for the second half of the year, say the directors, is for no significant change, and they expect the group sales for the full year to show a small overall decline.

Earnings per 25p share are up at 5.2p against 4.5p, because provisions for stock relief lowered tax from £1.4m to £650,000.

Turnover slipped back from *£43.3m to £39m. Interest* received was £158,000 (nil) and interest payable was well down at £38,000 (£441,000).

Minorities took £113,000 (£108,000), leaving attributable earnings slightly higher at *£1.85m (£1.61m).*

Current cost figures show pre-tax profits lower at £1.82m (£1.92m).

The company is engaged mainly in the manufacture and sale of electronic components *and systems.*

Galliford edges ahead to £3.32m

TAXABLE PROFITS of Galliford Brindley finished the year to end-June 1981 at £3.32m, compared with £3.16m, after rising marginally at midyear from £1.29m to £1.38m. Turnover improved over the year by £3.18m to £65.27m.

A final dividend of 3.875p (3.5p) increases the net total from 4.625p to 5p per *5p* share. A one-for-one scrip issue is also proposed.

Tax took £1.17m (same).

On a CCA basis the pre-tax figure is reduced to £2.15m (£2.18m).

Sound results from the civil engineering, private housing and property development sectors *offset losses by the general plant* hire and engineering activities.

The current year has started with the construction companies "enjoying good weather conditions" but the weakness of most of the markets in which the *group operates precludes* the directors from making any reliable forecasts. However, they say that past experience and a general view of the situation would suggest "another satisfactory result is *possible.*"

DoT clears County & District

The Department of Trade has completed its investigations into possible insider dealing in the shares of **County and District Properties** and has found no evidence that any offence has been committed.

The DoT inquiry into share dealing in the equities of County and District, now a part of Costain, arose from information provided by the stock exchange, which systematically examines unusual movements in share prices.

The DoT stressed that such information does not necessarily indicate the existence of criminal activity. "This can only be ascertained through a full examination of the *facts," said the DoT yesterday.*

It was last December that the inquiry into share dealing of County and District's equities by the DoT became known. The stock exchange passed a list of five companies whose share price *movements* had attracted attention to the DoT for further investigation.

NIPPON FUND

Holders of 1.11m shares of **Nippon Fund Sterling** (90.43 per cent) have accepted the offer from Nippon Fund to exchange their shares for units in the *Nippon Fund. The basis of allot*ment will be announced in due course but is expected to be 3.1 Nippon Fund units for every 10 Nippon Fund Sterling shares.

Brent Chemicals interim expansion to £1.82m

Helped by lower interest charges, down from £237,000 to £82,000, profits of **Brent Chemicals International** for the first half of 1981 increased to £1.82m, against £1.51m, at the pre-tax level, on turnover well ahead *from £16.59m to £23.48m.*

Mr H. W. Cross, chairman of this industrial chemicals manu*facturer, says* that directors expect the overseas operations to continue to expand steadily, but in the present uncertain economic conditions he says it is difficult to foresee any significant increase in earnings from the UK sector.

Stated first-half earnings per 10p share are 3p (2.6p) and the *interim dividend is effectively* lifted to 0.6p (0.5p) net—last year's adjusted final was 1.5p *paid from pre-tax profits of* £2.82m.

Reorganisation of Brent Chemicals Corporation proceeded to plan and good progress was made by the underlying business during this period. *The company made a* small contribution to earnings and the chairman says the benefits of the chemical systems division acquisition, from Stauffer Chemical Company in February, will be felt increas*ingly over the next few years.*

He adds that most other oversea- operating companies performed well and are producing satisfactory profits.

Mr Cross says that in the UK, business volume was generally retained, *without* erosion of operating profit margins, but there are, as yet, no indications of a significant upturn in demand.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Arncliffe Hldgs. ......int.	1.12	Nov. 20	1.12	—	2.66
Aurora ......int.	nil	—	1.55	—	1.55
Brent Chems. ......int.	0.6	Nov. 25	0.5*	—	2*
Cambridge Electrnc. int.	1.25	Nov. 14	nil	—	nil
Danks Gowerton	0.5	—	nil	0.5	0.71‡
Galliford Brindley	3.88	—	3.5	5	4.63
Kwahu Company	1.84	Nov. 9	1.84	1.84	1.84
I. and J. Hyman ......int.	*nil*	—	0.41	—	0.83
Link House	6.8	Nov. 18	5.6	10	8.4
Metalrax ......Int.	0.75	Oct. 30	0.75*	—	2.18*
Christopher Moran	nil	—	2.9	nil	4
Parker Knoll	5	Nov. 14	4.5	7.5	7

Dividends shown pence per share net except where otherwise stated.
* *Equivalent after allowing for scrip issue.* † On capital increased by rights and/or acquisition issues. ‡ For 15 months.

After six months' tax of £631,000 (£563,000), minority interests, £65,000 (£33,000) and an extraordinary debit of £116,000 (nil), the attributable balance was £1m compared with *£916,000 — the extraordinary* item comprised the costs incurred in the reorganisation of the business acquired from Stauffer.

A savings related share option scheme is proposed.

● comment

Brent Chemicals has joined that happy bunch of British companies which are riding out the domestic collapse in demand thanks to their overseas interests. In comparison with a year ago Brent now earns more than half its profits overseas and if its newly acquired *U.S.* company can be successfully reorganised so that gross margins are boosted to the level on its UK business, then the next two years could see substantial *growth. The omens appear* favourable as after five months the U.S. acquisition made a small profit after interest and tax. The company became a net borrower over the period and capital gearing is now 26 per cent. The second-half profit is likely to be higher than the midway figure with most of the growth from its overseas side. Assuming *full-year earnings of* £3.8m and a 40 per cent tax charge the shares at 93p are on a prospective p/e, fully taxed, of 16. The final dividend is likely to be increased in line with the interim giving a yield *of 3.7 per cent.*

Moran dives to £0.59m

POOR SECOND half trading and provisions sliced taxable profit of the troubled insurance broking and underwriting concern Christopher Moran Group from £1.85m to £590,000 for the year to January 31 1981. No dividend is to be paid for the year compared with a 4p net total for the preceeding 12 months.

Trading was affected "by the various difficulties facing the group." Turnover from broking and other areas was down from £2.75m to £1.64m, but this decline was partly offset by a rise *from £451,000 to £637,000* from underwriting management, for total turnover of £2.28m *(£3.21m).*

Provisions in respect of items including brokerage, took £425,000 and interest on unpaid disputed corporation tax absorbed £179,000.

Pre-tax profit from broking and other activities dived to £41,000 (£1.49m) but underwriting management improved to *£549,000 (£353,000). Stated earn*ings per 20p share slid to 5.58p (4.75p).

Attributable surplus slumped to £38,000 (£825,000) after tax of £491,000 (£1.02m), minorities of £2,000 (nil) and an extra*ordinary charge of £63,000.*

No current costs statement has been prepared, the directors explain, for, among other things, it would further delay presentation of the accounts.

Parker Knoll down but confident

BOTH TURNOVER and pre-tax profits of Parker Knoll, furniture manufacturer, were down for the year ended July 31 1981 but Mr M. H. T. Jourdan, chairman, remains confident in the future although he is unwilling to give *an indication of the likely result* in the current year.

Second-half profits went ahead from £1.52m to £1.83m, but for the full period the figure was £3m, compared with £3.58m. Turnover dipped from *£28.74m to £28.28m* for the year.

Mr Jourdan says that directors believe trading conditions experienced in all divisions will, at best, remain unchanged in 1981-82.

Despite the Nathan acquisi*tion, the* group's balance sheet is strong, he adds, and as it will take time to bring this company to the same level of profitability as other divisions, in the shorter term "the losses may detract from the per*formance of the group.*"

Trading profits for the 12 months amounted to £2.77m (£3.36m) and were divisional split as to: furniture *£1.07m* (£1.02m); textile £1.1m (£1.53m); Mercia weavers £59,000 (£85,000); Raymakers £536,000 (£725,000).

The furniture division did well in a consumer market that has borne the brunt of the recession, Mr Jourdan states. This resulted in poor demand in the *retail market* which was only, to a limited extent, balanced by an improved performance in the contract market.

There was some short-time working, but despite this there were no redundancies and *profits* showed a marginal increase, the chairman says.

Despite very difficult trading conditions, the textile division returned a profit on sales of about 10 per cent with Mercia weavers sales improving substantially in the second half.

Mr Jourdan says that, in present conditions, Raymakers have done well to produce a profit on sales in excess of 13 per cent and to have increased sales in real terms.

He believes this company will be able to sell the whole of its *output in the current year* and that margins will start to move back towards previous levels later this year.

Profits included interest received of £239,000 against £222,000 and tax charged was £1.24m *(£1.47m)* after which earnings are shown as 24.2p (29p) per 25p share.

The dividend is stepped up to 7.5p (7p) net with a final payment of 5p.

On a current cost basis the *pre-tax profit is* reduced to £2.58m (£2.73m).

● comment

Parker Knoll has left the forecasters way behind with a second half profits increase of £300,000. *But in a market like yesterday* the shares had only one way to go. After the 4p fall to 111p the fully taxed p/e comes out at 5.4 and the yield at 10.1 per cent. The shares look undervalued but then they usually do. *In the second half it was the* furniture operation that came up trumps, helped to a large extent by contract business to local authorities. Contract work now accounts for a fifth of furniture sales. The real weak spot was Raymaker *where Dutch imports* undermine prices and profits. But still the company managed a 16 per cent volume gain. The Nathan acquisition is obviously a very significant move taking Parker into a new sector. In the short term there must be a detrimental effect on profits. It might be near to break even on a day-to-day basis by the end of the year but it has very little chance of making a positive contribution overall. But the original Parker operations should show some improvement so the overall effect will not be too bad. But the *real measure of the stock* is the way it has come through last year with a small *downturn* when others have gone broke.

Metalrax well down at midyear

ALTHOUGH PROFITS of Metal*rax Group "were ahead of* budget for the first quarter," largely due to steps taken last year, the pre-tax figure for the six months to June 30, 1981, shows a marked drop from £1.07m to £528,000.

Mr John Wardle, the chairman, says he sees very few signs of the national improvement he had hoped might be beginning to show by now and, in the short term, any advance in the group's fortunes "must *come from our own efforts.*"

However, in the absence of totally unforeseen circumstances he is confident that the actions taken by the directors will enable the group to return to its "traditional pattern of profit*ability," and that the second half* will "show a not insignificant improvement" over the first half.

He adds that although it cannot be seen from the figures announced *for the half year* once again there had been a positive cash flow despite the payment of the final dividend and substantial tax liabilities.

The net interim dividend is being marginally increased from 0.7454p after allowing for the one-for-ten scrip issue, to 0.75p *—last year a total equivalent to* 2.1818p was paid.

Turnover of this engineering group for the half year was lower at £10.06m (£12.19m).

Tax took £275,000 (£558,000) and the retained balance *emerged at £86,000, against* £347,000.

I. & J. Hyman back in profit for first half

Compared with a second half loss of £121,743 last year, I. and *J. Hyman, plastic foam converter* and manufacturer, came back in the first half of 1981 with *taxable profits* of £159,101, although they were well down against £642,434 previously.

Turnover dropped from £11.69m to £9.8m and the interim dividend has been *omitted (0.4136p). The directors* say any final distribution will depend on the full year results and circumstances prevailing at the time—final for 1980 was 0.4136p paid from profits down from £1.82m to £520,691.

Mr Peter Buckley, chairman, says that the first half saw the continuation of the quiet trading conditions of the previous year, and there is, as yet, no indication of any consistent or material improvement. He says *that the full-year's profit will* depend upon some re-emergence of the seasonal demand for many company products in the last few months of 1981.

The recent purchase of British Vita's interest in the Hairlock Group will afford more flexibility in effecting certain economies and pursuing the marketing of new products and technology, he states.

Above the line, depreciation took £318,860, against £272,370, the interest charge was up from £256,229 to £274,392, and *associate's share was* £8,885 (nil).

Tax charge was £102,723 compared with £338,016, and after a minorities' credit of £36,170 (£10,044), and an extraordinary debit of £49,992 (nil), the attributable balance came through at £42,556 (£314,462).

Earnings per share are given as 0.44p (1.51p).

POLYMARK

Mr P. Neyer, chairman of **Polymark International**, told the annual meeting that the first *half of 1981 would show a small* loss.

However, there would be a significant improvement in the second half, although he did not expect profits for the whole year to reach those of 1980.

TR ENERGY

Initial figures of TR Energy show revenue before tax of £273,260 for the period August 22, 1980 to June 30, 1981. There was a tax charge of £131,334, leaving net revenue of £141,926. Stated earnings per 25p share are 0.99p. The directors recommend that there shall be no *dividend.*

Shareholders' interests at June 30 were £21m.

TR Energy was formed by Touche, Remnant, a UK investment management company which is wholly-owned by the *investment trusts.* The prime objective of the directors is to build up investments in oil and gas production and reserves directly and through other companies, partnerships or joint ventures.

SPAIN

Sept 25	Price %	+ or −
Banco Bilbao	375	−2
Banco Central	369	−3
Banco Exterior	317	+2
Banco Hispano	323	
Banco Ind Cat.	119	
Banco Santander	389	+4
Banco Urquijo	243	+2
Banco Vizcaya	343	−3
Banco Zaragoza	261	
Dragados	190	−6
Espanola Zinc	78	
Fecsa	69.7	−1.6
Gal. Preciados	54	
Hidrola	78.5	+0.5
Iberduero	57.7	+0.3
Petroleos	118.5	−3.5
Petroliber	82	
Sogefsa	51	
Telefonica	85	
Union Elect.	76.2	+0.7

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB
Telephone 01-621 1212

1980-81 High	1980-81 Low	Company	Price	Change	Gross div. (p)	Yield %	P/E Actual	P/E Fully taxed
114	100	ABI Hldgs. 10pc CULS	110	− 2	10.0	9.1	—	—
76	39	Airsprung	69	—	4.7	6.8	10.9	15.2
52	21	Armitage and Rhodes...	44	—	4.3	9.8	3.7	8.3
200	92½	Bardon Hill	190	− 2	9.7	5.1	9.3	11.3
104	88	Deborah Services	97xd	− 3	5.5	5.2	4.8	9.1
126	68	Frank Horsell	110	—	6.4	5.8	9.9	23.9
110	39	Frederick Parker	60	—	1.7	2.8	26.0	—
110	55	George Blair	55	− 1	—	—	—	—
102	93	IPC	99	− 1	7.3	7.4	7.1	10.8
113	59	Jackson Group	101	− 1	7.0	6.9	3.2	7.2
130	103	James Burrough	113	− 4	8.7	7.7	6.2	10.4
334	244	Robert Jenkins	290	− 5	31.3	11.0	4.0	10.2
59	50	Scruttons "A"	56	—	5.3	9.4	8.6	8.0
224	187	Torday	†	—	15.1	8.1	7.2	12.4
23	8	Twinlock Ord.	11½	− ½	—	—	—	—
90	68	Twinlock 15pc ULS ...	75	—	15.0	20.0	—	—
56	35	Unilock Holdings	36	—	3.0	8.3	6.4	10.9
103	81	Walter Alexander	86	− 1	6.4	7.4	5.7	10.0
263	181	W. S. Yeates	228	− 2	13.1	5.7	4.3	8.8

† Suspended.

THE TRING HALL
USM INDEX
100.0 (−5.4)
at close of business 28/9/81
BASE DATE 10/11/80 100.
Tel: 01-248 5675.

OIL INDEX
December Refined $42.40.
January Refined $42.85.

CORAL INDEX
Close 458-463 (−10)

UK COMPANY NEWS

Link House improves despite launch costs

PRE-TAX profits of **Link House Publications**, the Dorset-based publishing group, improved from £4.2m to £4.54m for the year to June 30, 1981 after taking account of launch costs of £458,000 which were treated as exceptional items. Last year exceptional debits totalled £6,000.

Turnover of the group advanced 15.4 per cent to £25.15m (£21.79m), with the Exchange and Mart Publishing division boosting its share from £11.3m to £13.79m. All other sectors also improved their sales figures. Group operating profit came through at £5.29m, compared with £4.4m.

The final *dividend* is being stepped up to 6.8p (5.6p) which raises the net total from 8.4p to 10p per 20p share.

At mid-year taxable profits were £2.2m (£2.14m) after exceptional expenditure of £39,000, *and the chairman did* not expect growth for the year to match last year's.

Commenting on the results the directors say the Exchange and Mart Publishing division enjoyed a successful year *although profits growth decel*erated in the final quarter due principally to a modest decline in the mail order and classified advertising intake in Exchange and Mart.

The Link House Magazines sector *invested heavily in new* publishing projects. The most significant investment was in Rio, the company's first venture into the women's romantic fiction market; and early issue copy sales achieved satisfactory levels. Apart *from its launch* costs of £406,000, Rio made little impact on the company's trading performance, the directors state.

They add that the worldwide recession and the resistance to back list titles was a severe blow to the industry, especially to the Blandford Books division *which relies heavily on back list* sales. A substantial improvement, however, is expected in the current year.

The Link House Communications division continued its expansion in electronic publishing and information systems. During the year it invested in two regional Prestel programmes—one *covering the* south of England entitled Southtel; the other covering the Greater London area and known as London Viewdata. The division also continued to provide viewdata consultancy services.

In spite of the "unfavourable economic climate" the directors are hopeful that modest growth will be achieved by the group in the current year. They add that it is fortunate in having a healthy positive cash flow.

Apart *from the exceptional* debits the pre-tax profit was also after overheads of £802,000 (£725,000) and included a share of loss of an associate of £28,000 (nil) and investment income of £545,000 (£537,000).

Tax was *marginally lower* at £2.12m (£2.22m) and after extraordinary credits of £13,000 (£302,000 debit) the attributable balance *emerged* at £2.44m, against £1.68m.

Stated earnings per share after tax were higher at 20.19p (16.55p). However, the tax charge included a credit of £182,000 from the release of deferred tax and the directors say that earnings per share before this release would have been 18.68p.

On a CCA basis the operating profit is reduced to £4.17m (£3.8m) and on the same basis earnings per share are given as 17.09p (13.23p) and before the tax release as 15.58p.

A divisional breakdown of group turnover and operating profit shows: Exchange and Mart Publishing £13.79m (£11.3m) and £5.43m (£4.17m); Link House Magazines £9.42m (£8.78m) and £406,000 (£373,000); Blanford Books £1.89m (£1.67m) and £364,000 loss (£33,000 loss); and Link House Communications £62,000 (£43,000) and £186,000 loss (£118,000 loss).

● comment

The share price of **Link House** was not spared by yesterday's stock market, despite some impressive preliminary figures. It dropped 15p to 195p. The whole *of the profits increase* was accounted for by Exchange and Mart, where display advertising has shown useful volume increases despite a 5 per cent drop in circulation over the last year. Elsewhere, the picture is not so *bright. Losses at Blandford* Books have mounted, even allowing for a £200,000 accelerated write-down on stocks, and the profit from magazines is wiped out by exceptional launch costs on the Rio publication. The absence of these items in the current year should push pre-tax profits to £5m and a further improvement from E & M could add another £0.5m. Given the company's prospects and its strong cash flow (cash reserves in the balance-sheet total £4.5m), it might be more generous with its dividend, which was covered 1.7 times by current costs earnings last year. The yield is 7.7 per cent.

Davenport Knitwear downturn

FOLLOWING THE warning of lower profits for 1981, the directors of **Davenport Knitwear** report a downturn from £469,000 to £375,000 in the first half.

And they cannot predict with any accuracy the trading profit for the year. In 1980 the group achieved a pre-tax profit of £1.12m, *assisted by a reduction* in stocks, higher cash balances earning more because of increased interest rates, and the disposal of surplus plant. The dividend was 5.87p.

The first-half profit included interest received of £176,000 (£96,000), and was after depreciation of £50,000 (£55,000). Tax will take £195,000 (£244,000).

Lex Service stock purchase

Lex Service Group has bought for cancellation £2,569,932 of its outstanding £5,358,272 8¼ per cent unsecured loan stock 1992-1997, at a price of 59¾ per cent.

The company is prepared to make further purchases of the stock through the market at this price until October 9.

HEMDALE FILM

The listing of **Hemdale Film Group** (formerly Equity Enterprises) has been cancelled. The ordinary shares have been temporarily suspended for over three years.

Aurora stays in the red after six months

THERE WERE first half 1981 losses of £221,000 at Aurora Holdings, general and precision engineer, which were similar to the £227,000 deficit for the second half of 1980, but are *compared with a previous taxable* profit of £2.06m. Turnover dropped from £74.89m to £58.78m.

The interim dividend has been omitted—last year's 1.55p net payment was the year's total, paid from profits of £1.83m.

Mr Robert Atkinson, chairman, says that order intake in the UK has remained at a constant level for the last three months, but there are, however, no *indications of recovery*. He adds that actions taken "should lead to a much improved performance in 1982." given a reasonable degree of stability in the UK.

He attributes the first half results to the continuing low level of industrial activity in the UK in general and the special steel sector in particular.

He explains that Aurora's Steel's losses are running at £3.5m per annum, despite capacity reduction and considerable cost-cutting, and directors have decided to initiate a phased rundown of the steel-making *activities, at Ecclesfield in Sheffield*: 390 people are currently employed there.

"Although Aurora's steel *making capacity will be halved*, it will remain more than adequate for the foreseeable demand," Mr Atkinson says.

The group's banking facilities, which have been recently confirmed by its bankers, are more than adequate, the chairman states, for present requirements. He adds that current bank *borrowings amount to 60 per* cent of available facilities.

After tax of £753,000 (£645,000), minority interests, £1,000 (£10,000), preference payments £342,000 (same), extraordinary credits £82,000 (£529,000 debits) and an exchange gain of £515,000 (£185,000 loss), the attributable deficit was £730,000 (£345,000 profit).

Loss per share *is given* as 6.19p on a net basis, compared with earnings of 4.98p, and 5.64p earnings on a nil basis last time.

● comment

After failing to gain outside support for its ailing steel making business **Aurora** has decided to cut its losses at the cost of wiping out 37 per cent of its reserves. Capital reserves will be reduced by a £2.5m asset write down and the revenue reserves will be pushed into deficit by a £3.5m *deduction consisting of trading* losses, movement costs and redundancy costs associated with the loss of about 300 jobs. Although the write down figure of £6m appears hefty and means that shareholders will have to *wait at least 13 months before* there is a dividend payout, the decision was necessary to stem the losses. If the steel making division continued to lose money at its current rate then it could have clocked up losses of £6m in about 21 months. The company appears confident this measure will suffice to push the steel side to break even and *allow the strong performance of* the rest of the group to show through. Aurora is likely to be marginally in the red at year-end with higher interest charges offsetting an improved trading performance. At 18p the market capitalisation is £3.8m.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Bentalls, Boustead, Hanger Investments, I.D.C., John Laing, Lilleshall, Ready Mixed Concrete, Tomatin Distillers, Walmoughs.

Finals: Arthur Bell, Dalgety.

FUTURE DATES

Interims—	
City of London Brewery and Investment Trust	Oct 1
Clifford's Dairies	Oct 13
England (J. E.) (Wellington)	Oct 9
House of Lerose	Oct 7
Insurance Corpn. of Ireland	Oct 7
Panto (P.)	Nov 4
Sphere Investment Trust	Oct 22
Sumner (Francis)	Oct 6
Ward White	†Oct 1
Finals—	
Campari International	Oct 2
Low (William)	Oct 22
Riley (E. J.)	Oct 5
Shaw and Marvin	Oct 2

† Amended

Arncliffe warns on second half

Although first half profits from Arncliffe Holdings show an improvement, it is unlikely that the full 12 months figure will exceed the £454,000 *achieved in* the year ended October 31 1980, the directors warn.

The company operates as a property developer and building contractor, principally in Yorkshire, Humberside, Lincolnshire and Derbyshire.

Turnover for the first half to April 30 was little changed at £2.46m, but the profit rose from £158,495 to £200,023. Bank interest this time required £111,593 (£89,858).

Tax for the period is estimated at £104,012 (£82,417), but with the incidence of stock relief only ACT is expected to be payable.

The interim dividend is again 1.12p net. Total for 1979-80 was 2.66p.

SUN LIFE BONUSES

Sun Life Assurance Society is to increase its interim reversionary bonus rates on individual pension arrangements as from October 1.

The rates on the current series of Personal Pension Plans (for the self-employed) and Pension Builder Policies (for directors and other executives) are being lifted 25p to £5.25 per cent of the basic benefit and attaching bonuses. However, the rate of terminal bonus remains at 10 per cent of attaching bonuses.

Equity & Law expands unit trust operations

Equity and Law Life Assurance Society, a leading UK traditional life company, is expanding substantially its unit trust and linked-life operations. From October 1, it is launching five new specialist unit trusts in which savers can invest direct or through a linked Investment Bond.

The new unit trusts consist of three specialist UK funds—UK Growth Trust, Higher Income Trust, and a Gilt and Fixed Interest Trust and two overseas funds—North America Trust and Far East Trust.

The insurance linked funds *available* to savers will be one UK fund, the Higher Income Fund, the two overseas unit trusts and a managed International Fund. These join the existing linked funds—UK Equities, Property, Fixed *Interest, Guaranteed Deposit* and Mixed Fund.

Equity and Law entered the unit trust field over 12 years ago with the launch of its Equity and Law Unit Trust, shortly to be renamed the Equity and Law *General Trust. This now has a* value of around £30m. The company entered the linked-life field in 1977 having previously been in the managed pensions field for several years. Total linked funds now amount to £150m.

The company is diversifying its activities in response to the demand for specialised funds, both UK and overseas, and the change in investment emphasis from linked life bonds to unit trusts following the tax concessions given to unit trusts in the 1980 Finance Act.

Equity and Law has been investing part of its life and pension funds overseas for some 25 years and now has over £100m invested thus. Its main investments have been in the North American market with good results. Since 1975 the North American portfolio in its main life fund has risen by 250 per cent in dollar terms against a 100 per cent increase in the Standard and Poor Index. The *company was late into the* Japanese market, making its first investment just over a year ago. Its pension Overseas Fund, which currently invests heavily in Japan, rose by 72 per cent in its first year of operation.

A *special introductory* discount of 1 per cent of the offer price will be given on all lump sum investments made up to November 10, 1981.

LONDON TRADED OPTIONS

Sept. 25. Total Contracts 2,221. Calls 1,419. Puts 802.

		Oct.		Jan.		April		
Option	Ex'rcise price	Closing offer	Vol.	Closing offer	Vol.	Closing offer	Vol.	Equity close
BP (c)	260	11	25	20	152	30	12	250p
BP (c)	280	3	—	10	45	16	4	"
BP (c)	300	1	11	7	75	11	5	"
BP (c)	320	⅛	—	4	31	—	—	"
BP (c)	350	¼	—	2	18	—	—	"
BP (c)	380	¼	5	1	4	—	—	"
BP (c)	410	¼	—	¾	1	—	—	"
BP (p)	260	18	7	22	45	28	24	"
BP (p)	280	32	11	32	3	38	6	"
BP (p)	320	72	—	72	—	—	10	"
BP (p)	350	102	10	102	1	—	—	"
BP (p)	380	132	—	132	1	—	—	"
CU (c)	130	13	10	—	—	—	—	140p
CU (c)	140	7	—	13	10	20	2	"
CU (c)	160	1	5	4	20	5	—	"
CU (c)	180	¾	6	1	11	3	3	"
Cons. Gld (c)	420	22	15	37	16	52	—	430p
Cons. Gld (c)	500	3	20	10	1	20	1	"
Cons. Gld (c)	550	½	5	4	4	8	6	"
Court'lds (c)	60	1½	—	2½	—	3½	2	61p
Court'lds (c)	80	¼	—	1	100	—	—	"
GEC (c)	550	87	1	—	—	—	—	632p
GEC (c)	600	40	3	—	—	—	—	"
GEC (c)	650	12	35	42	16	62	—	"
GEC (c)	700	6	1	25	8	42	—	"
GEC (c)	800	1	—	7	5	17	—	"
Gr'd Met. (c)	160	9	30	15	19	23	1	158p
Gr'd Met. (c)	180	3	—	8	5	14	26	"
Gr'd Met. (c)	200	½	—	5	4	9	—	"
Gr'd Met. (c)	220	½	—	3	1	5	—	"
Gr'd Met. (p)	160	10	23	12	15	16	31	"
Gr'd Met. (p)	180	25	2	28	365	30	6	"
Gr'd Met. (p)	200	44	—	45	2	46	—	"
Gr'd Met. (p)	220	64	—	65	12	66	5	"
ICI (c)	240	15	28	—	—	—	—	246p
ICI (c)	260	7	49	16	6	24	2	"
ICI (c)	280	2	20	9	5	17	5	"
ICI (c)	300	1	—	6	26	11	—	"
ICI (p)	260	20	58	24	72	26	5	"
ICI (p)	280	40	11	42	2	44	1	"
Land Sec.(c)	260	11	3	19	2	31	—	267p
Land Sec.(c)	280	3	—	8	15	—	4	"
Land Sec.(c)	300	—	—	—	—	11	8	"
Land Sec.(c)	330	—	—	—	—	6	—	"
Land Sec. (c)	335	½	2	1½	—	—	1	"
Mks & Sp (c)	110	5	23	9	24	13	2	106p
Mks & Sp (c)	120	1½	7	5	4	6	—	"
Mks & Sp (c)	130	¾	6	3	7	5	2	"
Mks & Sp (c)	140	½	—	1	3	3	—	"
Shell (c)	330	8	20	15	2	24	—	310p
Shell (c)	360	3	37	8	28	16	2	"
Shell (c)	390	½	12	5	—	8	—	"
Shell (p)	330	2	54	25	21	28	14	"
Shell (p)	360	54	—	54	20	56	3	"
		November		February		May		
Barclays (c)	420	5	—	18	2	23	6	383p
Imperial (c)	50	6½	—	9	—	9½	10	53p
Imperial (c)	60	1½	3	3½	—	5	—	"
Lasmo (c)	420	20	10	30	—	44	—	384p
Lasmo (c)	550	3	—	8	—	18	2	"
Lasmo (c)	600	2	—	4	1	10	—	"
Lasmo (c)	650	1	45	2	—	—	—	"
Lonrho (c)	70	7	10	9	38	10	25	68p
Lonrho (c)	80	1½	—	5½	14	6½	23	"
Lonrho (p)	90	¼	5	2	18	3¼	30	"
Lonrho (p)	80	13	14	14	34	15	84	"
Lonrho (p)	90	23	10	24	24	25	81	"
Lonrho (p)	100	33	4	34	111	—	—	"
Lonrho (c)	70	4	15	6	11	7	90	"
P & O (c)	130	½	10	1	—	—	—	88p
Racal (c)	330	50	45	52	4	37	—	365p
Racal (c)	360	30	46	43	1	—	—	"
Racal (c)	390	15	13	28	4	—	1	"
Racal (c)	420	6	4	15	—	27	3	"
Racal (c)	460	2	—	10	—	18	2	"
Racal (p)	330	13	288	20	44	—	—	"
Racal (p)	360	22	121	30	19	—	—	"
Racal (p)	390	40	48	45	3	50	4	"
Racal (p)	420	55	11	60	5	65	—	"
Racal (p)	460	95	5	97	—	98	9	"
RTZ (c)	420	47	8	—	—	—	—	447p
RTZ (c)	460	25	10	42	3	57	—	"
RTZ (c)	500	17	—	35	14	48	—	"
RTZ (c)	550	12	1	20	10	35	1	"
RTZ (c)	600	7	50	14	—	17	—	"
RTZ (c)	650	2	1	8	—	—	—	"
RTZ (p)	460	30	4	35	—	38	25	"
RTZ (p)	500	63	1	65	—	67	—	"

C=Call P=Put

MINING NEWS

Wankie passes dividend after fall in profits

BY GEORGE MILLING-STANLEY

FALLING SALES and rising costs have combined to reduce profits of the Anglo American Corporation group's Wankie Colliery in Zimbabwe, and the company has decided to omit the final dividend.

Wankie's trading profit for the year ended August 31 was Z$57,000 (£43,000), compared with Z$5.14m the year before. The company's sales of coal fell by 17 per cent to 1.98m tonnes, while coke sales were 10 per cent lower at 210,709 tonnes.

The company said that it had expected to better last year's sales performance, but this was not achieved due to a combination of transport difficulties, some slackening of demand from certain customers and the loss of an export market.

These factors, coupled with higher costs, especially for labour and materials, resulted in the negligible trading profit.

After the inclusion of investment income, earnings came out at 3.70 cents (2.8p) a share against 16.92 cents last time, and the interim dividend of 3 cents stands as the total for the year, compared with 10 cents in the previous year.

Wankie applied to the Zimbabwe Government for increases in the prices of coal and coke for local consumption, in line with the terms of the coal price agreement.

Shareholders were told in May that these had not been granted, as the Government wanted to amend the agreement. Negotiations were started immediately, and are still continuing.

Wanke said it was essential that the matter should be resolved speedily, and that immediately thereafter realistic adjustments should be made to local coal and coke prices. Without an increase, Wankie warned, the company's financial position will continue to deteriorate markedly.

The problem is compounded by the fact that the coal price agreement forms an integral part of the arrangements between the company and the financial institutions which are providing long-term loans for the Z$128m expansion to the colliery intended to serve a new power station. Thus any alteration to the agreement must be approved by them as well.

The institutions include the International Finance Corporation, a subsidiary of the World Bank. The US20m (£10.8m) loan from the IFC represents the agency's first investment in Zimbabwe.

Geevor expansion plan

CORNWALL'S Geevor Tin Mines is seeking planning permission from Cornwall County Council to reopen the 1,400 ft deep Allen's Shaft located a mile from the company's Geevor Mine at Pendeen.

Geevor's application, which also covers underground mining and the erection of new buildings, comes before the County Council Planning Committee on Thursday, with a recommendation for acceptance.

The Allen's shaft was sunk in 1907 and last worked in 1914, and is being reopened to ensure a continuing ore supply, according to Geevor. However, the shaft is unlikely to be in production for about five years.

In the year to March 31 1981 Geevor suffered a net loss of £285,000 and paid no dividends compared with a net profit of of £549,000 and dividends totalling 8.4p net for the previous year.

During the year the company produced 1,254 tonnes of tin concentrates, against 1,079 tonnes the previous year, and received an average price of £6,601 per tonne of tin metal compared with £7,228 over the previous 12 months.

However, the picture has been much brighter over the past three months as tin prices on the London Metal Exchange have been kept artificially high as a result of large-scale support buying by a number of influential operators.

In July cash tin averaged £7,123 a tonne, in August it averaged £7,953 a tonne, while during this month cash tin touched a record £8,455 a tonne and has not fallen below the £8,000 a tonne level.

Major shareholders in Geevor include the Rio Tinto-Zinc group, with 17.87 per cent, South Africa's Gencor group, with 19.08 per cent, and Cluff Oil, with 5.01 per cent.

Recovery at ZCI

THE Bermuda-registered Zambia Copper Investments, which holds 39.9 per cent of Nchanga Consolidated Copper Mines and 9.8 per cent of Roan Consolidated Mines, turned in net profits of U.S.$2.51m (£1.4m) for the year to June 30, against a loss of $1.79m the previous year.

The results reflect the return to the dividend lists by both of the state-controlled Zambian copper producers after a long absence. ZCI's latest dividend income includes payments from both companies totalling the kwacha equivalent of $4.86m, all of which is awaiting externalisation from Zambia.

Further payments totalling the kwacha equivalent of $2.3m have been declared since then, but have not been included in the figures now being reported.

ZCI reported an exchange loss of $3.05m, caused primarily by the decline in the value of blocked assets in Zambia and Zimbabwe as a result of the depreciation of the currencies of both countries.

No dividend is declared. ZCI paid a total of $4.29m in dividends in the last full year, in which $6.[illegible]m of dividend income from NCCM and RCM was externalised.

The two copper producers are to be merged into a new company, Zambia Consolidated Copper Mines, and ZCI has already indicated that it will support the merger.

South Crofty wins proxy

South Crofty, the Cornish tin mining group, has won proxy approval for key resolutions which were rejected by its shareholders on a show of hands at an annual meeting last week.

The board of South Crofty was forced to call a poll when shareholders at the meeting in Cornwall rejected the adoption of the annual report and accounts, and opposed the election of Mr Jim Raper to the board. Mr Raper's master company, Gasco Investment, has recently acquired Saint Piran and with it Saint Piran's subsidiary, South Crofty.

Shareholders opposed the re-election of Mr Douglas Allen to the board of South Crofty.

The results of the poll, declared yesterday, showed that after a full count shareholders holding 12.7m shares supported the adoption of the accounts while investors with 702,526 shares voted against.

Investors holding 12.6m shares supported the re-election of Mr Allen to the board while investors holding 1.1m shares voted against.

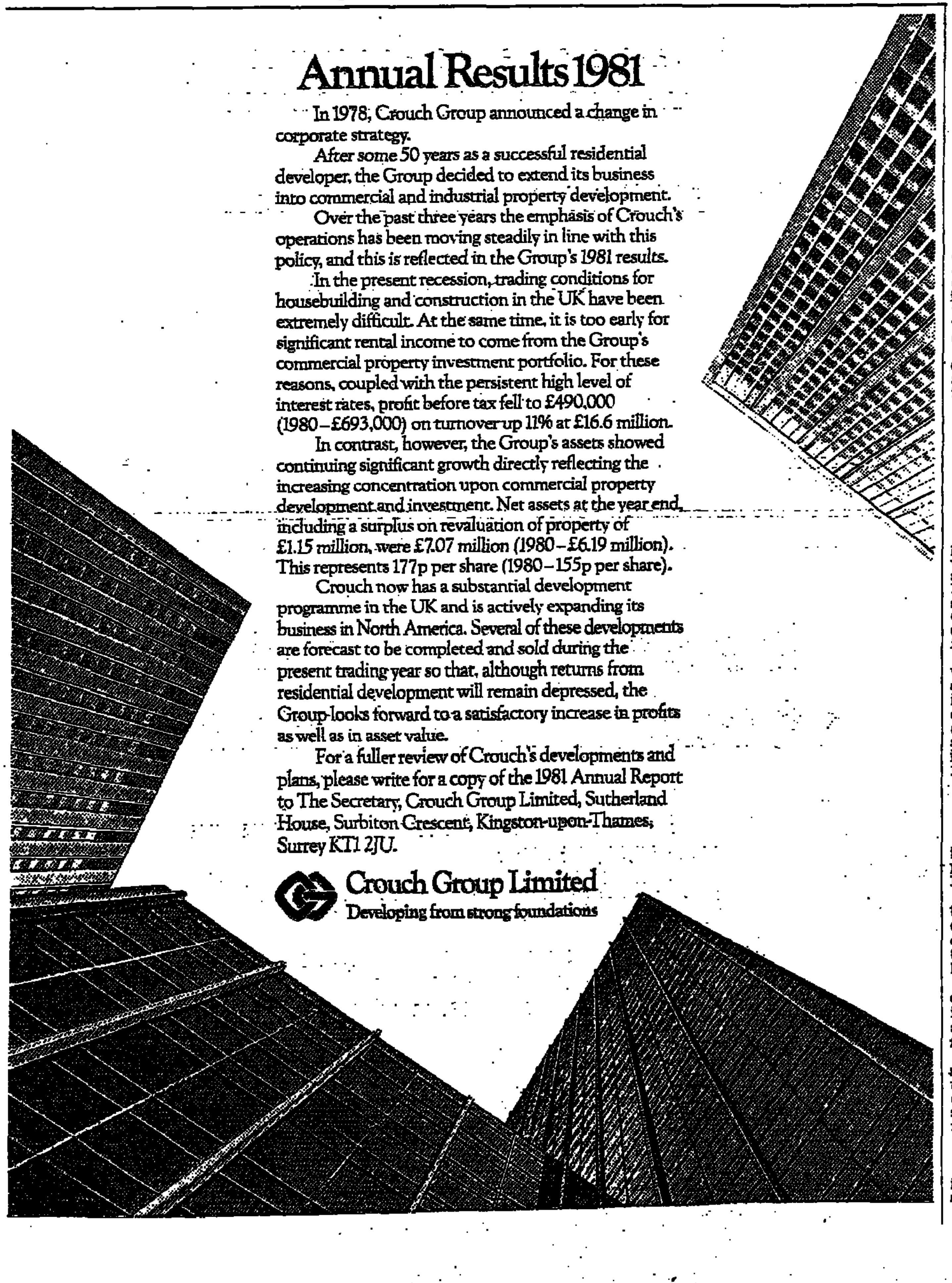
Mr Jim Raper received the votes of investors holding 12.5m shares in his favour while investors with 1.2m shares opposed his re-election.

TCL gains control of RMP

SOUTH AFRICA'S Transvaal Consolidated Land has lifted its holding in Rand Mines Properties to 74.8 per cent following an offer earlier this year. Both companies are controlled by the big Barlow Rand group.

Barlow itself tendered its 60.1 per cent holding in RMP in response to TCL's offer, which suggests that most of the outside shareholders ignored the urgings of Mr Tony Peterson, TCL's chairman.

Mr Peterson said earlier this month that the offer by his company, a coal producer, represented good value for RMP holders. RMP has extensive property interests in Johannesburg, and was recently in the news with plans to extract gold from dumps on former gold mines now under its control.



Annual Results 1981

In 1978, Crouch Group announced a change in corporate strategy.

After some 50 years as a successful residential developer, the Group decided to extend its business into commercial and industrial property development.

Over the past three years the emphasis of Crouch's operations has been moving steadily in line with this policy, and this is reflected in the Group's 1981 results.

In the present recession, trading conditions for housebuilding and construction in the UK have been extremely difficult. At the same time, it is too early for significant rental income to come from the Group's commercial property investment portfolio. For these reasons, coupled with the persistent high level of interest rates, profit before tax fell to £490,000 (1980–£693,000) on turnover up 11% at £16.6 million.

In contrast, however, the Group's assets showed continuing significant growth directly reflecting the increasing concentration upon commercial property development and investment. Net assets at the year end, including a surplus on revaluation of property of £1.15 million, were £7.07 million (1980–£6.19 million). This represents 177p per share (1980–155p per share).

Crouch now has a substantial development programme in the UK and is actively expanding its business in North America. Several of these developments are forecast to be completed and sold during the present trading year so that, although returns from residential development will remain depressed, the Group looks forward to a satisfactory increase in profits as well as in asset value.

For a fuller review of Crouch's developments and plans, please write for a copy of the 1981 Annual Report to The Secretary, Crouch Group Limited, Sutherland House, Surbiton Crescent, Kingston-upon-Thames, Surrey KT1 2JU.

Crouch Group Limited
Developing from strong foundations

BIDS AND DEALS

Berec forecasts £14m and dividend restoration

IN A detailed rejection of Hanson Trust's £73m bid for Berec Group, the Ever Ready battery group is forecasting a 40 per cent jump to £14m in pre-tax profits for the year to February 27 1982.

At the same time the directors intend to restore total dividends to not less than the 5.495p net paid for 1979-80. This is on the basis that the forecast is achieved and the outlook for 1982 remains promising.

The Berec directors say that the Hanson bid is "clearly inadequate and must be rejected." They explain that they are writing to shareholders now with the reasons for rejecting the offer before they have seen the Hanson document "as there is a danger that Hanson will attempt to acquire control of Berec in a market raid" as soon as Hanson's shareholders have approved the offer at a meeting called for Thursday.

The Berec directors state that they believe the group's shares are worth considerably more than Hanson's offer of 105p per share cash and "strongly recommend you not accept the offer nor to sell your shares in the market prematurely." Berec's net assets stood at £128m at the last balance sheet date.

Referring to the profit forecast the directors state that this is struck after research and development expenditure of £5.8m, interest charges of £6.2m and start-up costs of £5.6m.

They report that management accounts for the first six months of the current year show that results have fallen short of those for the same period of last year. However, the second quarter has been "significantly better" than the first.

The directors point out that there is a major seasonal factor in the business with the second half of the year traditionally producing the bulk of profits. Compared with the second half of last year the directors anticipate substantial improvements in South Africa, Italy and the UK.

They say that the South African economy is particularly buoyant; a repetition of last year's heavy destocking in Italy is not expected; and in the UK cost reduction programmes have led to an improvement in profitability.

The directors state that until recently Berec has been primarily a produced of zinc carbon batteries, but is now poised to make a major attack on the rapidly growing market for new battery systems.

The company says that the market for alkaline manganese products is expected to grow in real terms by 193 per cent between now and 1985. Based on this growth in the market and on group estimates of future market share "we should by 1985 be able to achieve additional annual sales of £50m."

See Lex

Oliver and Hiltons to merge

A new retail chain of more than 300 shops will be created from the merger of George Oliver (Footwear) and Hiltons Footwear which was announced

Oliver is a long-established multiple retailer of a wide range of footwear, handbags and hosiery operating through 130 shops situated mainly in Wales and the south and west of England. Like Oliver, Hiltons is also in the retailing of footwear, handbags and hosiery.

Both groups, explaining the background to the merger, said yesterday that the style of their respective operations is similar and their merchandise is aimed towards the same type of customer. Their trading area is complementary and the two companies are represented jointly in only 25 towns.

Hiltons operating through 189 reatail outlets situated mainly in the North, Midlands and south east of England.

After the merger is implemented the former shareholders of Oliver and Hiltons will hold 57.5 per cent and 42.5 per cent respectively in a new holding company.

The offer is made on the following terms: Shareholders of Oliver are being offered 108 ordinary shares of 20p each and 53 non-voting shares of 20p each in a new holding company for every 100 shares which they hold in Oliver.

Oliver shareholders are being offered 98 ordinary shares in the new holding company and 49 non-voting shares of 20p each for every 100 "A" non-voting shares they hold in Oliver.

Hiltons shareholders are to receive 67 ordinary shares of 20p each and 33 non-voting ordinary shares of 20p each for every 100 ordinary shares which they hold in Hiltons.

Oliver's pre-tax profits for the year to December 31, 1980 and the half year to June 30 1981 were £1.05m and £103,000 respectively. Its book net tangible assets attributable to shareholders as at December 31 were £7.3m.

The directors of Oliver estimate that the present surplus of the value of land and buildings, over their book value as at December 31, last, is not less than £14.7m which would increase net tangible assets to £22.1m.

For the year to January 30 1981, Hiltons pre-tax profits were £1m, and as at January 30 1981 its book net tangible assets available to shareholders were £10.4m. The directors estimate that the present surplus of the vaule of land and book value as at January 30 1981 is not less than £6.2m, giving an adjusted value for net tangible assets of £16.6m.

Both groups said yesterday that while the turnover of both companies since the end of their respective half years remains depressed in line with the general trend of the retail sector, the directors have confidence in the combined groups' ability to achieve proper levels of profitability when the economy moves out of recession.

The board of the holding company consists of existing directors of Oliver and Hiltons.

Dawn raid on Hallite

A mystery buyer has made a raid on the shares of Hallite Holdings, the precision seals and plastics components manufacturer, and bought a 14.99 per cent stake in the company.

The 360,403 shares were bought when it was announced yesterday that stockbrokers Laurie Milbank were buying on behalfe of a client up to 14.9 per cent of Hallite at 200p.

In its last financial year ending in early May this year, Hallite reported pre-tax profits of £571,000 compared with £785,644.

Hallite has had discussions with the buyer of a "very, very general nature." The group stressed that it has said in the past that it does not wish to be taken over but declined to indicate the nature of the buyer's intentions.

BTR acquires more Serck

BTR, the UK industrial group seeking to acquire Serck, the valve and heat transfer equipment manufacturer, has built up its stake in Serck by another 40,237 shares. On Friday and up to noon yesterday BTR purchased its latest holding at 60p per share taking its total stake in Serck to 20.52m shares (48.2 per cent).

BTR intends to purchase shares in the market until it gains just over 50 per cent of Serck, which has described BTR's £25.5m bid as "unwelcome."

Coal Board Pension Fund buys in U.S.

By David Lascelles in New York

THE UK Coal Board's Pension Fund, which has been expanding its investment in the U.S. market, has put $5m into Nitron, a Californian electronics components company. The investment was made through a direct placement of notes, convertible debentures and convertible preferred stock with CIN Industrial Investments, a Coal Board Fund subsidiary.

Nitron, based in Cupertino, California, manufactures high reliability semi-conductor products for military and industrial use. In the first nine months of this year, Nitron sales were $4.9m, but the company made a loss of $3.3m, which it blamed on tooling problems which prevented it from shipping orders. It employs about 180 people.

Viners changes hands

Mr and Mrs Lucius Andrew and Principality Holdings (the consortium) have received acceptances in respect of 2.9m ordinary shares in Viners, representing 50.01 per cent of the capital. The consortium did not hold any shares in Viners prior to the offer nor have they agreed to acquire any during the period of the offer.

All other conditions of the offer have now been fulfilled, and it has become unconditional in all respects.

Settlement of the consideration will be posted within 21 days. It is proposed to post provisional allotment letters in respect of the proposed rights issue on Thursday.

During the past three weeks, Mr Peter Breach and Mr Lucius Andrew, principal members of the consortium, have worked closely with the management and work force of the group.

A detailed restructuring programme has been initiated and despite the recession they are confident that the heavy drain on resources will be stemmed in the fourth quarter of the current year.

In co-operation with the work force, the new management team believes this programme will strengthen Viner's position as brand leader and increase its market share in the industry.

M P Kent makes £11.3m Torquay sale

M. P. Kent, the Bristol-based property development company, which mounted a raid on the shares of Federated Land last Friday acquiring a 14.7 per cent stake in a £2.1m series of purchases, has forward sold its Torquay town centre redevelopment in an £11.3m deal.

The redevelopment scheme involves the creation of 107,000 sq ft of shopping and car parking for 439 cars. Kent will receive payment in stages during construction. The development started in September 1980 and is due for completion in late 1982.

RELIANCE KNIT ACQUISITION

Reliance Knitwear is acquiring Draperite, a private company owned principally by Mr D. W. Kay and his family.

Basic consideration will be the issue of 500,000 Reliance ordinary shares (6.4 per cent of enlarged capital) to Mr Kay and the issue of £500,000 unsecured loan stock to the vendors.

There is a maximum further consideration of £1.6m depending on profit performance to be satisfied by the issue of two further series of loan stocks.

Draperite manufactures and sells velvet curtains under the name Excelsior. The deal is conditional on approval of shareholders and listing of the new shares.

WAVIN/DURAPIPE

Wavin Plastics announces that its offer for Durapipe International has lapsed.

Bardsey jumps to £504,000

ON TURNOVER well ahead from £1.29m to £10.29m, taxable profits of Bardsey, formerly the Tebbitt Group, have expanded to £504,000 for the first half of 1981, compared with a previous £61,000.

Mr John Bentley, predecessor as chairman to Mr L. G. Stopford Sackville, left the board yesterday. It is the intention that Mr M. O. W. Pearson, director, will acquire 1m ordinary shares of the company from Mr Bentley leaving his holding at 25,000.

The industrial division of the group is now profitable, the directors state, and the main contribution in the first half came from the Hensher group of furniture companies. More disappointing was the performance of some of the smaller companies which originated from Tebbitt.

First-half figures include one month's results from London and European, acquired last May.

The two main subsidiaries of London and European continue to operate profitably, with sales of Taylor Pallister showing a satisfactory increase over last year. The directors say that Abbott Birks would be considerably strengthened by the acquisition of RCF Holdings.

Agreement was reached on August 28 whereby Bardsey would make cash offers on terms recommended by the RCF directors. The offer document is expected to be sent out on October 5.

During the six months Fellows Developments was acquired for £392,000 cash, within the property sector, and with property purchases since June totalling £1.4m, have built up the portfolio "to a level which should ensure a flow of profits for the future." The company continues to seek other suitable investment opportunities.

Pre-tax figure was struck after depreciation of £94,000 (£43,000) and interest charges of £112,000 (£82,000). Tax will take £109,000, against £32,000, and the amount retained was £231,000 (£29,000) after preference payments this time of £168,000.

Earnings per 10p share are shown as 1.2p (0.26p), and with a technical restructuring of capital and reserves under way, the directors' objective is to "clear the way" for the earliest consideration of a dividend on the ordinary shares.

HAMPTON AREAS BUYS MORE NEW COURT

The London-based Hampton Gold Mining Areas has increased its holding in New Court Natural Resources to 3,330,000 ordinary shares and 402,500 warrants to subscribe for ordinary shares by the purchase of a further 450,000 ordinary shares. Hampton Area's stake in New Court is thus increased to 11.49 per cent.

Danks makes cutbacks and produces profits

ACTION TAKEN to cut costs and improve productivity at Danks Gowerton has produced pre-tax profits of £166,815 for the year to June 30, against losses of £1.3m for the previous 15 months. Turnover was £13.61m, compared with £29.08m.

The fall in the exchange rate of sterling in relation to the dollar has made Britain more competitive in world markets and has generated more enquiries for the company's engineering products, says the directors. Together with better prospects in the home boiler market there is confidence in the engineering division for the next year.

After omitting the interim dividend (0.7p) the directors are recommending a final of 0.5p (nil).

A loss per 25p share of 17.991p for the 15 months has been turned into earnings of 1.987p for the year.

Tax was reduced to £16,255 (£60,000).

The loss attributable to shareholders was lower at £159,380 (£1.36m) after an extraordinary debit of £309,940, against a credit last time of £5,651. The extraordinary item is the cost of re-organisation to improve productivity. There was a current cost post tax profit of £60,747.

The demand for the products of the steel division remains depressed but effort is being made to contain costs and take advantage of any improvement in the economy.

There are reasonable prospects of added revenue for warehousing and utilisation of land and buildings in the current year, say the directors. They add that forecasting the year's results at this early stage is almost impossible, but "every discipline is being imposed to ensure the group will improve profitability."

EUROPEAN OPTIONS EXCHANGE

Series		Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C	$375	—	—	5	78 A	—	—	$423
GOLD C	$400	—	—	3	59 A	—	—	"
GOLD C	$425	26	24	1	44 A	—	—	"
GOLD C	$450	52	10	6	31	—	—	"
GOLD C	$475	47	6.50 A	2	21 A	—	—	"
GOLD C	$500	10	3.50 A	2	12	—	—	"
GOLD P	$375	19	3.50	2	10	—	—	"
GOLD P	$400	2	8.50	—	—	—	—	"
GOLD P	$425	63	15 B	5	22	8	20	"
GOLD P	$450	125	30	16	31	—	—	"
GOLD P	$475	11	50	2	50 B	—	—	"
GOLD P	$500	2	76 B	2	76 B	—	—	"
		Oct.		Jan.		April		
ABN C	F.300	36	1	—	—	—	—	F.282
AKZO C	F.20	96	1.40	—	—	—	—	F.20
AKZO C	F.22.50	—	—	—	—	25	2.40	"
AKZO C	F.27.50	—	—	28	0.30	—	—	"
AKZO P	F.17.50	30	0.30	—	—	—	—	"
AKZO P	F.20	259	1	—	—	—	—	"
AKZO P	F.22.50	110	2.58	85	3	—	—	"
AKZO P	F.25	31	5	31	5	—	—	"
AKZO P	F.27.50	—	—	42	7.40	—	—	"
HEIN C	F.45	45	1.70	—	—	—	—	F.45
HEIN P	F.45	40	1.90	—	—	—	—	"
HEIN P	F.50	31	5 A	—	—	—	—	"
HOOG C	F.15	30	0.90	60	1.20 B	—	—	F.15
HOOG C	F17.50	—	—	—	—	52	1	"
HOOG C	F.20	—	—	—	—	40	0.50	"
KLM C	F.80	102	6.50	—	—	—	—	F.83.50
KLM C	F.90	143	1.80	—	—	—	—	"
KLM C	F.100	—	—	27	3.50	41	5	"
KLM C	F.110	212	0.80	—	—	—	—	"
KLM P	F.65	46	0.50	—	—	—	—	"
KLM P	F.70	234	1.30	—	—	—	—	"
KLM P	F.80	564	3	—	—	—	—	"
KLM P	F.90	256	7	142	10	—	—	"
KLM P	F.100	75	17.50 A	—	—	—	—	"
NEDL C	F.140	101	1.90	—	—	—	—	F.138.50
NEDL C	F.150	—	—	45	3	—	—	"
NEDL C	F.160	—	—	32	1.80	—	—	"
NEDL P	F.130	56	3	69	4.50	—	—	"
NEDL P	F.140	31	8 A	—	—	—	—	"
NATN C	F.110	30	0.70	—	—	—	—	F.106.50
NATN P	F.110	39	5A	—	—	—	—	"
PHIL C	F17.50	53	1.10	—	—	—	—	F.18.10
PHIL C	F.20	65	0.20	142	1.10	680	1.80	"
PHIL C	F.22.50	—	—	59	0.60	25	1.10	"
PHIL C	F.25	—	—	65	0.30	75	0.60	"
PHIL P	F.17.50	535	0.50	—	—	—	—	"
PHIL P	F.20	140	2	134	2.80	81	3	"
PHIL P	F.22.50	—	—	75	5	—	—	"
RD C	F.70	—	—	69	7.80	—	—	F.71.80
RD C	F.80	108	0.60	107	3.50	26	6	"
RD C	F.90	—	—	45	1.30B	56	3	"
RD C	F.100	—	—	29	0.60	27	1.50B	"
RD P	F.70	—	—	310	3.80	115	4.90	"

TOTAL VOLUME IN CONTRACTS 8525

A=Asked B=Bid C=Call P=Put

THE CAPITAL & NATIONAL TRUST PLC

Manager—Robert Fleming Investment Management Limited
Secretary—Robert Fleming Services Limited

Three year summary of results:

Year ended 31st July	Gross Revenue £'000	Ordinary Shares Earned per share	Ordinary Shares Paid per share	Gross Assets (less current liabilities) £'000	Net Asset Value per Equity share
1979	1,347	5.18p	5.75p*	26,152	165.5p
1980	1,795	7.38p*	6.75p	31,765	201.9p
1981	1,732	6.95p	6.95p	39,052	249.2p

* The dividend for 1979 and the earnings for 1980, include 0.80p in respect of arrears of dividend received from "Shell" and Unilever.

Annual capitalisation issues have been made to "B" Ordinary Shareholders as follows:—
1979 3.474465% 1980 3.590739% 1981 2.78825%

In his statement SIR HUGH MACKAY-TALLACK said: The valuation of the portfolio has reached a new year-end high and the net asset value per share of 249.2p represents an increase of 23.4 per cent over 201.9p last year.

At 31st July 1981, 64 per cent of the portfolio was invested in UK registered companies which provided approximately 80 per cent of our investment income. As a consequence we are greatly concerned with the prospects for this country's economy and we hope that the downward slide has ended. However, we are not unhappy with the outlook for our revenue in the current year.

Copies of the Accounts are available from the Registrars, Bourne House, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

CURRENCIES, MONEY and GOLD

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Dollar firm

The dollar improved in currency markets yesterday compared with Friday's closing levels in London. The U.S. unit tended to fluctuate sharply during the day with interest rates once again seen as the prime market mover. Early trading saw the dollar rising in line with higher Euro-dollar interest rates and there may also have been some reaction to Friday's higher money supply figures. Later in the day Continental Illinois became the first major bank to cut its prime rate to 19 per cent from 19½ per cent, reflecting the relatively low cost of Federal funds.

Sterling showed some losses during the morning but came back in the afternoon on higher UK interest rates. There may have been some smoothing *action by the Bank of England* during the morning but only on a limited scale.

The D-mark was placed just within divergence limit in the European Monetary System yesterday as European currencies lost ground to the dollar. The French franc showed a firmer tendency while the Danish krone eased slightly. The Belgian franc remained the weakest currency, comfortably within its divergence limit.

DOLLAR — trade weighted index (Bank of England) rose to 109.7 from 108.9. The dollar touched a best level of DM 2.3600 against the D-mark but came back to close at DM 2.3380, still up from Friday's figure of DM 2.3210. Against the Swiss franc it finished at SwFr 1.9790 from SwFr 1.9700 and Y232.40 from Y229.75. The dollar was also higher against the French franc at FFr 5.6060 from FFr 5.5650.

STERLING — trade weighted index (Bank of England) was unchanged at 86.4. Sterling's steady improvement during the day was reflected in its index, *which opened at 85.9 to 86.0 at* noon before finishing at 86.4. Against the dollar it opened at $1.7775 and eased initially to $1.7620. *By noon it had recovered* to $1.7700 and started to improve on renewed interest to touch a best level of $1,7915. Trading was a little erratic towards the close and it finished at $1.7790-$1.7810, a fall of 60 points. Against the D-mark it rose to DM 4.1625 from DM 4.1450 and SwFr 3.5225 from SwFr 3.5200. It was also up against the French franc at FFr 9.9750 from FFr 9.9350.

D-MARK—Strongest member of the European Currency System and close *to its upper* divergence limit. The D-mark has been underpinned recently by an improving trade performance and narrowing current account deficit. But this trend was reversed after figures for August showed a widening current account deficit. However money supply and inflation remain in check. While U.S. rates show little sign of a sustained fall, the D-mark has been losing ground against the dollar but is still above the five year low touched in August—The D-mark lost *ground against* the dollar at yesterday's fixing in Frankfurt, reflecting Friday's poor German trade figures and a rise in U.S. money supply. The dollar was fixed at DM 2.3530 up sharply from Friday's fixing of DM 2.3268 and the Bundesbank sold a nominal $17m at the fixing. Elsewhere the D-mark was mostly weaker. Sterling rose to DM 4.1620 *from* DM 4.1590 and the Swiss franc was fixed at DM 1.1816 compared with DM 1.1781. Within the EMS the Belgian franc rose to DM 6.124 per BFr 100 from DM 6.120 and the French franc to DM 41.81 per FFr 100 from DM 41.74.

Later in the day the dollar came back, possibly on lower U.S. prime rates, to DM 2.3400.

THE DOLLAR SPOT AND FORWARD

Sept 28	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.7620-1.7915	1.7780-1.7810	0.03-0.13c dis	−0.54	0.43-0.53dis	−1.08
Ireland†	1.5465-1.5590	1.5570-1.5590	0.45-0.35c pm	3.08	0.64-0.54 pm	1.52
Canada	1.2027-1.2043	1.2039-1.2042	0.34-0.39c dis	−3.64	0.72-0.77dis	−2.48
Nethlnd.	2.6020-2.6255	2.6020-2.6050	0.86-0.76c pm	3.74	3.28-3.18 pm	4.97
Belgium	38.25-38.52	38.27-38.29	35-45c dis	−12.54	50-60 dis	−5.75
Denmark	7.3200-7.3900	7.3200-7.3300	0.65-0.90ore dis	−1.27	0.50 pm-par	0.14
W. Ger.	2.3350-2.3600	2.3375-2.3385	0.90-0.85pf pm	4.49	3.31-3.25 pm	5.61
Portugal	65.40-65.90	65.45-65.60	60-260c dis	−29.30	100-1480d	−15.26
Spain	97.25-97.55	97.25-97.35	15-30c dis	−2.77	40-60 dis	−2.05
Italy	1187-1190¼	1187½-1188½	16-19lire dis	−17.68	42-46 dis	−14.82
Norway	5.9685-5.9825	5.9775-5.9825	1.80-1.30ore pm	3.11	6.60-6.00 pm	4.18
France	5.6000-5.6375	5.6035-5.6085	6½-6¾c dis	−13.92	10-11½ dis	−7.68
Sweden	5.6250-5.6600	5.6300-5.6350	1.50-1.30ore pm	2.97	6.30-6.10 pm	4.39
Japan	231.50-233.00	232.35-232.45	1.85-1.70y pm	9.16	5.85-5.70 pm	9.94
Austria	16.42-16.53	16.44-16.45	7-5½gro pm	4.57	24-20 pm	5.36
Switz.	1.9740-2.0000	1.9725-1.9795	0.75-0.65c pm	4.24	2.95-2.85 pm	5.86

† UK and Ireland are quoted in U.S. currency. Forward premiums and *discounts apply to the U.S. dollar and not to the individual currency.*

THE POUND SPOT AND FORWARD

Sept 28	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.7620-1.7915	1.7790-1.7810	0.03-0.13c dis	−0.54	0.43-0.53ds	−1.08
Canada	2.1250-2.1550	2.1410-2.1430	0.70-0.80c dis	−4.20	1.75-1.95ds	−3.45
Nethlnd.	4.62-4.68	4.63½-4.64½	1⅛-⅞c pm	2.91	4¾-4 pm	3.68
Belgium	67.80-68.80	68.08-68.20	63-78c dis	−12.42	105-125dis	−6.75
Denmark	13.03-13.14	13.05½-13.07½	2¾-3¼ore dis	2.53	4¾-6¼ dis	−1.63
Ireland	1.1410-1.1485	1.1425-1.1445	0.30-0.42p dis	−3.78	0.71-0.83ds	−2.69
W. Ger.	4.14½-4.19½	4.15¾-4.16¾	1⅞-1⅛pf pm	3.96	4⅞-4⅜ pm	4.44
Portugal	115.50-117.50	116.50-117.00	110-500c dis	−31.35	210-535dis	−12.76
Spain	171.00-174.25	173.20-173.50	20-45c dis	−2.25	110-140dis	−2.88
Italy	2098-2122	2113½-2115½	30-43lire dis	−18.16	82-88 dis	−16.08
Norway	10.55-10.70	10.63½-10.65½	2¾-1¼ore pm	2.40	6¾-5¼ pm	2.25
France	9.92-10.03	9.97-9.98	11½-12½c dis	−14.44	20½-22½dis	−8.72
Sweden	9.97-10.07	10.03-10.04	2-1¼ore pm	−1.94	7½-8¼ pm	−2.69
Japan	407-420	413-414	3.00-2.65y pm	8.20	9.15-8.80 pm	8.68
Austria	29.15-29.45	29.25-29.30	10½-5½gro pm	3.28	31-21 pm	3.55
Switz.	3.51-3.55½	3.51¾-3.52¾	1-½c pm	2.56	3¼-2¾ pm	3.41

Belgian rate is for convertible francs. Financial franc 74.80-74.90.
Six-month forward dollar 1.28-1.43c dis, 12-month 2.25-2.55c dis.

CURRENCY MOVEMENTS

Sept. 28	Bank of England Index	Morgan Guaranty Changes%
Sterling	86.4	−36.1
U.S. dollar	109.7	+3.5
Canadian dollar	87.9	−17.0
Austrian schilling	115.1	+23.9
Belgian franc	107.1	+10.8
Danish Kroner	89.0	−7.2
Deutsche mark	119.6	+40.8
Swiss franc	142.3	+90.5
Guilder	110.2	+16.1
French franc	84.0	−10.5
Lira	57.6	−55.9
Yen	138.5	+33.2

Based on trade weighted changes from *Washington agreement December, 1971.* Bank of England Index (base average 1975=100).

CURRENCY RATES

Sept. 28	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.641460	0.594521
U.S. $	14	1.14563	1.06330
Canadian $	19.63	1.37327	1.27405
Austria Sch.	6¾	18.6600	17.3318
Belgian F.	13	43.6141	40.5643
Danish K.	11	8.32873	7.77699
D mark	7½	2.66565	2.47749
Guilder	9	2.97005	2.75874
French Fr.	9½	6.40579	5.94651
Lira	19	1348.41	1251.51
Yen	6¼	261.204	243.656
Norwgn. Kr.	9	6.79645	6.32664
Spanish Pts.	8	110.315	102.555
Swedish Kr.	12	6.39053	5.95562
Swiss Fr.	6	2.26319	2.09736
Greek Dr'ch.	20½	—	60.7464

OTHER CURRENCIES

Sept. 28	£	$		£ Note Rates
Argentina Peso	10,207-10,227	5730-5750	Austria	29.10-29.40
Australia Dollar	1.5560-1.5610	0.8755-0.8760	Belgium	74.30-75.10
Brazil Cruzeiro	192.39-193.39	108.10-108.64	Denmark	13.00-13.14
Finland Markka	7.996-8.009	4.4900-4.4920	France	9.90-10.00
Greek Drachma	105.658-105.853	57.90-58.10	Germany	4.14½-4.19½
Hong Kong Dollar	10.91-10.93	6.14-6.15	Italy	2090-2160
Iran Rial	143.50*	80.25*	Japan	411-415
Kuwait Dinar (KD)	0.499-0.505	0.2838-0.2841	Netherlands	4.61-4.65
Luxembourg Fr	68.05-68.20	38.27-38.29	Norway	10.53-10.64
Malaysia Dollar	4.1310-4.1410	2.3250-2.3280	Portugal	114-130
New Zealand Dlr.	2.1710-2.1760	1.2210-1.2220	Spain	166.75-178.25
Saudi Arab. Riyal	6.02-6.08	3.4165-3.4195	Sweden	9.95-10.05
Singapore Dollar	3.7650-3.7750	2.1175-2.1205	Switzerland	3.51-3.55
Sth. African Rand	1.6980-1.7000	0.9540-0.9550	United States	176-178
U.A.E. Dirham	6.46-6.52	3.6690-3.6740	Yugoslavia	78-81½

† *Rate given for Argentina is the commercial rate. The financial rate for sterling* is 13,162-13,182 and for the dollar 7.375-7.425. *Selling rate.
Sept 25 Singapore dollar/Sterling 3.7910-3.8010.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU September 28	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7985	40.5496	−0.61	+0.84	±4.1118
Danish Krone	7.91917	7.77223	−1.86	−0.41	±1.5361
German D-Mark	2.54502	2.47994	−2.56	−1.11	±1.6413
French Franc	5.99526	5.93180	−1.06	+0.39	±1.1386
Dutch Guilder	2.81318	2.76065	−1.87	−0.42	±1.3638
Irish Punt	0.685145	0.680176	−0.73	+0.72	±1.6159
Italian Lira	1262.92	1253.42	−0.75	−0.18	±1.6688

Changes are for ECU, therefore positive change denotes a *weak currency. Adjustment calculated by Financial Times.*
Sterling/ECU rate for September 28 — 0.594364

EXCHANGE CROSS RATES

Sept. 25	PoundSterling	U.S. Dollar	Deutschem'k	Japan'seYen	FrenchFranc	Swiss Franc	Dutch Guild'	ItalianLira	Canadia Dollar	Belgian Franc
Pound Sterling	1.	1.780	4.163	413.5	9.975	3.523	4.640	2115.	2.142	68.13
U.S. Dollar	0.562	1.	2.338	232.3	5.604	1.979	2.607	1188.	1.203	38.27
Deutschemark	0.240	0.428	1.	99.34	2.396	0.846	1.115	508.0	0.515	16.37
Japanese Yen 1,000	2.418	4.305	10.07	1000.	24.12	8.519	11.22	5114.	5.180	164.8
French Franc 10	1.003	1.784	4.173	414.5	10.	3.531	4.652	2120.	2.147	68.30
Swiss Franc	0.284	0.505	1.182	117.4	2.832	1.	1.317	600.3	0.608	19.34
Dutch Guilder	0.216	0.384	0.897	89.12	2.150	0.759	1	455.7	0.462	14.68
Italian Lira 1,000	0.473	0.842	1.969	195.6	4.717	1.666	2.194	1000.	1.013	32.22
Canadian Dollar	0.467	0.831	1.943	193.0	4.657	1.644	2.166	987.2	1.	31.80
Belgian Franc 100	1.468	2.613	6.110	607.0	14.64	5.171	6.811	3104.	3.144	100

FT LONDON INTERBANK FIXING (11.00 a.m. SEPTEMBER 28)

3 months U.S. dollars		6 months U.S. dollars	
bid 18	offer 18 1/8	bid 18 3/16	offer 18 5/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rate for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Sept. 28	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	14⅜-14⅝	14⅝-14⅞	19-20	12⅞-13	7¼-7¾	11 1/16-11 3/16	25-30	18-38	15-25	6¾-7¼
7 days' notice	14⅞-15⅛	15-15¼	19-20	12⅞-13	24-24½	11⅞-12	30-35	32-42	20-34	7⅝-7⅞
Month	15⅞-16	16¼-16½	19⅛-19⅞	12¾-13	12¼-12⅝	11⅞-12	29-30	32½-36	26½-29½	7⅜-7⅝
Three months	16 3/16-16 5/16	17⅝-17⅞	19⅝-20	13 1/16-13 3/16	12-12⅛	11 15/16-12 1/16	25-26	32½-34½	22-24	7⅝-7⅞
Six months	16⅜-16⅝	18-18¼	19⅝-20	13 1/16-13 3/16	12-12⅛	12 1/16-12 3/16	24-25	30⅛-32	21-23	7⅞-8⅛
One Year	15 15/16-16⅛	17¼-17½	19¼-19⅝	13 1/16-13 3/16	10⅝-10¾	11 11/16-11 13/16	22¼-23¼	27¾-29¼	18¼-19¼	8⅛-8⅜

SDR linked deposits: one-month 16⅞-16⅛ per cent; three-months 16-16¼ per cent; six-months 16 3/16-16 7/16 per cent; one-year 15⅞-15¼ per cent.
ECU linked deposits: one-month 18⅞-19 per cent; three-months 17 13/16-17 15/16 per cent; six-months 17 5/16-17 9/16 per cent; one-year 16⅞-16⅛ per cent.
Asian $ (closing rates in Singapore): one-month 16 9/16-16 11/16 per cent; three-months 18-18⅛ per cent; six-months 18 3/16-18 5/16 per cent; one-year 17⅛-17⅜ per cent.
Long-term Eurodollar two years 17¼-17⅝ per cent; three years 17-17⅜ per cent; four years 16⅞-17⅛ per cent; five years 16⅞-17⅛ per cent nominal closing rates.
The following nominal rates were quoted for London dollar certificates of deposit: one-month 16.15-16.55 per cent; three months 16.95-17.05 per cent; six *months 17.40-17.50 per cent; one year 17.05-17.15 per cent.*

MONEY MARKETS

London rates firm

London clearing banks base lending rates 14 per cent (since September 16)

Interest rates continued to rise in the London money market yesterday, despite the improvement of sterling and the good supply of day-to-day funds. The Bank of England forecast a surplus of about £100m in the morning, but this was amended to £50m at noon, which was not fully absorbed by official operations. There was no intervention in the morning, while in the afternoon the authorities sold only £5m Treasury bills maturing tomorrow at 14¾ per cent. Market sources suggested that a surplus is also expected today, and this coupled with the money left in the banking system overnight should help to partly offset the special issue of £400m Treasury bills offered today for take-up tomorrow.

Factors influencing the market were expected to be: a net take-up of Treasury bills −£135m; the unwinding of repurchase agreements on bills −£128m; exchequer transactions +£225m; and a fall in the note circulation +£90m.

Market conditions remained very nervous, with interbank rates rising by nearly a full percentage point from Friday. Three-month funds rose to 16¼-16⅜ per cent from 15⅞-15 15/16 per cent, while discount houses buying rates for three-month Treasury bills rose to 15⅝-15⅞ *per cent from 15⅝ per cent, and* three-month eligible bank bills to 15⅞ per cent from 15⅝-15¾ per cent.

Discount houses paid up to 14¾ per cent for secured call loans, but late money was picked up at 11-12 per cent, with call money finishing at 2-4 per cent in the interbank market.

In Tokyo end of the month considerations *are likely to keep* money market conditions tight at the beginning of the week, particularly as this is also the end of the first half of the Japanese financial year. Demand for funds was also strong last week as corporations prepared to make monthly wage payments, but money is expected to flow back into the *market later this week, driving* down call money and other short-term interest rates. The Bank of Japan intervened to keep rates steady last week, by selling securities to the market on Monday and Tuesday, and buying bills on Thursday and Friday. Call money finished at 7.1875 per cent, little changed on the week, after falling to 7.0625 per cent on Monday and Tuesday. Yesterday it rose to 7.25 per cent, but is expected to fall to around 7 per cent by the middle of the week, although the *authorities* may *well* intervene to keep rates on an even keel to protect the yen, while not choking off steady economic growth.

GOLD

Sharp fall

Gold fell sharply in the London bullion market yesterday to finish $23½ an ounce down from Friday's close at $422-424. It *opened* at $425-427 and touched a low of $421-423. Current volatility was blamed principally on the uncertainty surrounding U.S. interest rates and a firmer dollar.

In Paris the 12½ kilo bar was fixed at FFr 92,000 per kilo ($508.62 per ounce) in the afternoon compared with $92,000 ($508.48) in the morning and *FFr 94,000 ($522.89) on Friday* afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 32,415 per kilo ($428.49 per ounce) against DM 33,795 ($452.99) previously and closed at $420¾-422¾ from $450-452.

In Luxembourg the dollar per ounce equivalents of the 12½ kilo bar was $430.50.

In Zurich gold finished at $421-424 from $449-452.

	Sept. 28		Sept. 25	
	Gold Bullion (fine ounce)			
Close	$422-424	(£237¼-238¼)	$446½-447½	(£248½-249)
Opening	$425-427	(£240-241)	$452-453	(£251½-252)
Morning fixing	$427.50	(£242.072)	$451.75	(£252.304)
Afternoon fixing	$421.50	(£236.898)	$450.50	(£250.835)
	Gold Coins			
Krugerrand	$438-439	(£246¼-246¾)	$460½-461½	(£257-257½)
1/2 Krugerrand	$225-226	(£126½-127)	$237-238	(£132¼-132¾)
1/4 Krugerrand	$114½-115½	(£64¼-65)	$120¾-121¾	(£67½-68)
1/10 Krugerrand	$47-48	(£26½-27)	$49½-50½	(£27½-28¼)
Mapleleaf	$437-440	(£245¾-247¼)	$459½-462½	(£256½-258)
New Sovereigns	$104-105	(£58½-59)	$109½-111½	(£61-62¼)
King Sovereigns	$118-120	(£66¼-67¼)	$123-125	(£68¼-69½)
Victoria Sovs.	$118-120	(£66¼-67¼)	$123-125	(£69½-69½)
French 20s	$128-132	(£72-74)	$134-138	(£74¾-77)
50-pesos Mexico	$525-550	(£295¼-297¾)	$550-554	(£307-309¼)
100 Cor. Austria	$412-415	(£231½-233¼)	$451-434	(£240½-242¼)
$20 Eagles	$577-582	(£324¼-327)	$586-591	(£327-329¾)

LONDON MONEY RATES

Sept. 28 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	2-14¾	14¼-14½	—	—	14-14¾	11-14⅛	—	—	—
2 days notice	—	—	14⅞-15¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	15	—	14-14⅜	—	—	—
7 days notice	—	14¾-15⅛	14⅞-15¼	—	16	—	14⅜-16	15½-15¾	15⅝-15 15/16	16⅛
One month	16⅛-15⅞	15-16¼	15½	16⅛-16	16¼	—	14⅜-15⅛	15⅝ 15¾	15¾-15 15/16	16½
Two months	16¼ 16	16¼ 16⅜	—	16⅛-16	16⅜	—	14⅝-15¼	15¾-15⅞	15⅞	16½
Three months	16½ 16¼	16⅛ 16⅞	16¼	16½-16	16⅜	—	—	—	15 15/16-15⅝	16⅞
Six months	16⅝-16¼	16½ 16¾	16½	15¾-15¼	16½	—	—	—	—	—
Nine months	16⅝ 16⅛	16¼-16⅜	—	16½-16	16¼	—	—	—	—	—
One year	16⅛-15⅞	15⅞-16¼	16½	16⅝-15⅞	16	—	—	—	—	—
Two years	—	—	16¼	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 16¾ per cent; four years 16¾ per cent; five years 16¾ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 15 11/16-15 13/16 per cent; four-months trade bills 16⅝ per cent.

Approximate selling rate for one-month Treasury bills 15¾ per cent; two-months 15⅝ per cent; three-months 15⅝-15⅞ per cent. *Approximate selling rate for one-month bank* bills 15½-15 9/16 per cent; two-months 15 9/16-15⅝ per cent; and three-months 15¾ per cent; one-month trade bills 16⅛ per cent; two-months 16¼ per cent; and three-months 16¼ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 14½ per cent from September 1, 1981. Clearing Bank Deposit Rates for sums at seven days' notice 11-11½ per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 15.1231 per cent.

MONEY RATES

NEW YORK	
Prime rate	19-19½
Fed. funds	14¾-15
Treasury bills (13-week)	14.18
Treasury bills (26-week)	14.575
GERMANY	
Special Lombard	12.0
Overnight rate	12.0
One month	11.85
Three months	12.20
Six months	12.075
FRANCE	
Intervention rate	17.0
Overnight rate	18.5
One month	18.75
Three months	18.5
Six months	17.0
JAPAN	
Discount rate	6.25
Call (unconditional)	7.125
Bill discount (three-month)	7.34375

WORLD VALUE OF THE POUND

The table below gives the latest available rate of exchange for the pound against various currencies on September 28, 1981. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, (Bas) basic rate; (bg) buying rate; no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling/dollar rates; (S) member of the sterling area other than Scheduled Territories; (T) tourist rate; (Bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (fn) financial rates; (exC) exchange certificate rate; (k) Scheduled Territory; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

PLACE AND LOCAL UNIT		VALUE OF £ STERLING
Afghanistan	Afghani	101.00
Albania	Lek	9.7680
Algeria	Dinar	7.4120
Andorra	French Franc	9.975
	Spanish Peseta	173.35
Angola	Kwanza	(CM) 62,936
		(T) 65.139
Antigua (S)	E. Caribbean $	4.81
Argentina	Ar. Peso	(cm)10,217.0
		(fn) 13,172.0
Australia (S)	Australian $	1.5585
Austria	Schilling	29.275
Azores	Portugu'se Escudo	116.75
Bahamas (S)	Ba. Dollar	1.7800
Bahrain (S)	Dinar	0.659
Balearic Isles	Spa. Peseta	173.35
Bangladesh (S)	Taka	34.65
Barbados (S)	Babados $††	3.56
Belgium	B. Franc	(cm) 68.125
		(fn) 74.85
Belize	B $	3.56
Benin	C.F.A. Franc	498.75
Bermuda (S)	Bda $	1.7800
Bhutan	Indian Rupee	16.36
Bolivia	Bolivian Peso	43.80
Botswana (S)	Pula	1.5685
Brazil	Cruzeiro ‡‡	192.89
Brit. Virgin Isles (S)	U.S. $	1.7800
Brunei (S)	Brunei $	3.77
Bulgaria	Lev	1.7630
Burma	Kyat	11.40
Burundi	Burundi Franc	163.53
CameroonRepublic	C.F.A. Franc	498.75
Canada	Canadian $	2.1420
Canary Islands	Spanish Peseta	173.35
Cape Verde Isle	Cape V. Escudo	65.00
Cayman Islands (S)	Cay. Is. $	1.4833
Cent. Af. Repub.	C.F.A. Franc	498.75
Chad	C.F.A. Franc	498.75
Chile	C. Peso	(Bk)69.42
China	Renminbi Yuan	3.1891
Colombia	C. Peso	(F) 99.92
Comoro Islands	C.F.A. Franc	498.75
Congo (Brazaville)	C.F.A. Franc	498.75
Costa Rica	Colon	35.45
Cuba	Cuban Peso	1.2945
Cyprus (S)	Cyprus £	0.790
Czechoslovakia	Koruna	(com) 10.90
		n/c 18.99
		(T)18.36
Denmark	Danish Krone	13.065
Djibouti	Fr.	310 (sg)
Dominica (S)	E. Caribbean $	4.81
Dominican Repub.	Dominican Peso	1.7800
Ecuador	Sucre	(O) 44.45
		(F) 56.96
Egypt	Egyptian £	(U) 1.51
Equatorial Guinea	Ekuele	346.7
Ethiopia	Ethiopian Birr	(P) 3.6150
Falkland Islands (S)	Falkland Is. £	1.0
Faroe Islands	Danish Krone	13.065
Fiji Islands	Fiji $	1.5955
Finland	Markka	8.0025
France	French Franc	9.975
FrenchC'tyin Af*	C.F.A. Franc	498.75
French Guiana	Local Franc	9.975
French Pacific Is.	C.F.P. Franc	170 (sg)
Gabon	C.F.A. Franc	498.75
Gambia (S)	Dalasi	4.0
Germany (East)	Ostmark	4.1625
Germany (West)	Deutsche Mark	4.1625
Ghana (S)	Cedi	5.04
Gibraltar (K)	Gibraltar £	1.0
Greece	Drachma	102.4095

PLACE AND LOCAL UNIT		VALUE OF £ STERLING
Greenland	Danish Kroner	13.065
Grenada (S)	E. Caribbean $	4.81
Guadaloupe	Local Franc	9.975
Guam	U.S. $	1.7800
Guatemala	Quetzal	1.7800
Guinea Republic	Syli	37.75
Guinea Bissau	Peso	67.30
Guyana (S)	Guyanese $	5.31
Haiti	Gourd	8.90
Honduras Repub.	Lempira	3.5775
Hong Kong (S)	H.K. $	10.92
Hungary	Forint	(com) 65.42
		(T)(nc) 61.50
Iceland (S)	I. Krona	14.076(§)
India (S)	Ind. Rupee	16.36
Indonesia	Rupiah	1,115.10
Iran	Rial	143.50(sg)
Iraq	Iraq Dinar	0.54215
Irish Republic (k)	Irish £	1.1435
Israel	Shekel	24.0
Italy	Lira	2,114.5
Ivory Coast	C.F.A. Franc	498.75
Jamaica (S)	Jamaica Dollar	3.1744
Japan	Yen	413.5
Jordan (S)	Jordan Dinar	0.585(sg)
Kampuchea	Riel	2,135.0
Kenya (S)	Kenya Shilling	18.375
Kiribati	Australian $	1.5585
Korea (Nth)	Won	1.76(!!)
Korea (Sth)	Won	1,227.50
Kuwait	Kuwait Dinar	0.502
Laos	New Kip	17.80
Lebanon	Lebanese £	8.3365
Lesotho	Loti	1.6990
Liberia	Liberian $	1.7800
Libya	Libyan Dinar	0.5270
Liechtenstein	Swiss Franc	3.5225
Luxembourg	Lux Franc	68.125
Macao	Pataca	11.25
Madeira	Portug'se Escudo	116.75
Malagasy Republic	MG Franc	498.75
Malawi (S)	Kwacha	1.6375
Malaysia (S)	Ringgit	4.1360
Maldive Islands (S)	Mal Rupee	6.9560
Mali Republic	Mali Franc	997.5
Malta (S)	Maltese £	0.7110
Martinique	Local Franc	9.975
Mauritania	Ouguiya ‡	96.30
Mauritius (S)	M. Rupee	15.30
Mexico	Mexican Peso	44.74
Miquelon	C.F.A. Franc	498.75
Monaco	French Franc	9.975
Mongolia	Tugrik	(o)5.87(!!)
Montserrat	E. Caribbean $	4.81
Morocco	Dirham	9.53(sg)
Mozambique	Metical	52.70
Nauru	Australian Dollar	1.5585
Nepal	Nepalese Rupee	21.25
Netherlands	Guilder	4.64
NetherlandAntilles	Antillian Guilder	3.1862
New Zealand (S)	N.Z. Dollar	2.1735
Nicaragua	Cordoba	17.80
Niger Republic	C.F.A. Franc	498.75
Nigeria (S)	Naira	1.211889(sg)
Norway	Norway Krone	10.645
Oman Sul'ate of (S)	Rial Omani	0.608
Pakistan	Pakistan Rupee	17.54
Panama	Balboa	1.7800
Papua N.Guinea (S)	Kina	1.2225
Paraguay	Guarani	224.28

PLACE AND LOCAL UNIT		VALUE OF £ STERLING
Peru	Sol	exs (A) 805.12
Philippines	Philippine Peso	13.94
Pitcairn Islands (S)	£ Sterling	—
	New Zealand $	2.1735
Poland	Zloty	(Cm)63.89
		(T)63.89
Portugal	Portugu'se Escudo	116.75
Puerto Rico	U.S. $	1.7800
Qatar (S)	Qatar Ryal	6.41
Reunion Ile de la	French Franc	9.975
Romania	Leu	(Cm)8.05
		(n/c) 19.83
Rwanda	Rwanda Franc	166.09
St. Christopher (S)	E. Caribbean $	4.81
St. Helena	St. Helena £	1.0
S. Lucia	E. Caribbean $	4.81
St. Pierre	Local Franc	9.975
S. Vincent (S)	E. Caribbean $	4.81
Salvador El	Colon	4.4566
Samoa American	U.S. $	1.7800
San Marino	Italian Lira	2,114.5
Sao T'oe&Principe	Dobra	59.20
Saudi Arabia	Ryal	6.05
Senegal	C.F.A. Franc	498.75
Seychelles	S. Rupee	11.15(sg)
Sierra Leone (S)	Leone	2.1292
Singapore (S)	Singapore $	3.77
Solomon Islands (S)	Solomon Is. $	1.5985
Somali Republic	Somali Shilling(3)	(A)11.30
Somali Republic	Somali Shilling (4)	22.18
South Africa (S)	Rand	1.6990
South West African Territories (S)	S. A. Rand	1.6990
Spain	Peseta	173.35
Spanish ports in North Africa	Peseta	173.35
Sri Lanka (S)	S. L. Rupee	35.54
Sudan Republic	Sudan £ (1)	0.89
Sudan Republic	Sudan £ (2)	1.42
Surinam	S. Guilder	3.1862
Swaziland (S)	Lilangeni	1.6990
Sweden	S. Krona	10.03
Switzerland	Swiss Franc	3.5235
Syria	Syria £	(A)11.0
Taiwan	New Taiwan $	64.08
Tanzania (S)	Tan. Shilling	14.65
Thailand	Baht	40.60
Togo Republic	C.F.A. Franc	498.75
Tonga Islands (S)	Ha'anga	1.5585
Trinidad (S)	Trinidad & Tob. $	4.2720
Tunisia	Tunisian Dinar	0.895(sg)
Turkey	Turkish Lira	216.56
Turks & Caicos	U.S. $	1.7800
Tuvalu	Australian $	1.5585
Uganda (S)	Uganda Shilling	145.0
United States	U.S. Dollar	1.7800
Uruguay	Uruguay Peso	(cm)19.81
		(fn)19.80
Utd.Arab Emirates	U.A.E. Dirham	6.49
U.S.S.R.	Rouble	1.3173
Upper Volta	C.F.A Franc	498.75
Vanuatu	Vatu	160.70
	Aust. Dollar	1.5585
Vatican	Italian Lire	2,11.54
Venezuela	Bolivar	7.64
Vietnam	Dong	(O)3.8585
		(T)4.31(!!)
Virgin Islands U.S.	U.S. Dollar	1.7800
Western Samoa	S. Samoan Tala	1.9135
Yemen (Nth)	Ryal	7.99(sg)
Yemen (Sth)	S. Yemen Dinar	(A)0.6045
Yugoslavia	New Y Dinar	68.9755
Zaire Republic	Zaire	10.000762
Zambia	Kwacha	1.5915
Zimbabwe	Zimbabwe $	1.2685

*That part of the French community in Africa formerly French West Africa or French Equatorial Africa. † Rupees per pound. ‡ General rates of oil and iron exports 74.75. ** Rate is the transfer market (controlled). †† Rate is now based on 2 Barbados $ to the dollar. ‡‡ Now one official rate. (U) Unified rate. Applicable on all transactions except countries having a bilateral agreement with Egypt and who are not members of IMF. (!!) Based on gross rates against Russian rouble. (1) Official rates for government transactions and specified exports and imports. (2) Parallel rates for non-government transactions and non-specified exports and imports. § One new Krona=100 old Kronur. (3) Parallel exchange rate for essential imports. (4) Exports, non-essential imports and transfers.

Electric vehicles: still just around the corner

By John Griffiths

IN THE coming month some unusual variants of the Dodge 50 medium van and light truck will come rolling off the assembly lines at Dunstable. Beneath their bonnets will be not petrol or diesel engines, but an electric drive system developed by Chloride.

They will be the first fully traffic-compatible electric trucks and vans to be produced commercially for sale by a volume manufacturer in the UK. But the planned output level could hardly be called "volume"—20 a month.

Their purchase price will also, in effect, be subsidised by the Department of Industry to the tune of about £4,000 per vehicle.

For both companies the exercise represents a dipping of toes into unknown waters. For there can be few developing industries so clouded by conflicting views as to where technology might be headed, who is leading it, and the eventual size and nature of markets which might emerge to buy it.

For the best part of a century, the automotive holy grail embodied by a "superbattery" to challenge the dominance of the internal combustion engine has been sought along pathways haunted by empty echoes of eureka.

But the viable, roadgoing electric vehicle, with some *very specific exceptions*, has remained just round a seemingly endless series of corners.

As far back as 1966, even Ford was proclaiming to the world its own breakthrough which would make the mass-produced "EV" feasible within five to ten years. . . .

Ford has swallowed its words, at least in terms of the passenger car. It now says it concurs with the U.S. Department of Energy's view that in the absence of an unforeseen fuel crisis of near-cataclysmic proportions, "there is no competitive future for the electric car during this present century."

On the other hand, it believes that light commercial vehicles of less than two tonnes, used in stop-start urban delivery work where a range of 30-40 miles is often adequate for a daily workload, are increasingly likely to be electric-powered within the next decade. On that at least there is growing agreement. *In line with the Dodge/* Chloride project, the main thrust of research and development in Britain and on the Continent is towards such vehicles.

Yet General Motors is concentrating its own EV development on the passenger car. As so often with electrics, its original production target of 100,000 electric cars a year by 1984 slipped back first to 1985, and has now become a general statement that "an electric vehicle may well appear in the mid-1980s." But that the U.S.'s two largest auto-makers could hold such divergent views illustrates why EV development is so fragmented and has made relatively little headway.

A selection of all-electric commercial vehicles used on Britain's roads: the main area of use to date.

The crux of the problem lies with the still-elusive "superbattery." Experiments have been proceeding with a great many couples (see chart). The two UK battery projects are tubular sodium-sulphur batteries being explored by Chloride, and Lucas's nickel-zinc unit (the latter the same couple planned by GM). Chloride says its sodium-sulphur unit should be viable for use in commercial vehicles in five years or a little more.

Gulf and Western, the U.S. group, proclaimed its own "*major*" *breakthrough last* year with a zinc-chloride unit claimed to give a range of up to 200 miles in a purpose-built car. But once again, those claims have yet to be confirmed and the battery appears to have *hit fresh development snags.*

It is because the superbattery has yet to materialise that a meeting this month of electric vehicle experts from several countries, organised by Britain's Electric Vehicle Development Group, was examining in particular a half-way stage: the "hybrid." London Transport made available its testing grounds for the demonstration of a number of vans, cars and a public passenger vehicle, some using a British hybrid system being unveiled for the first time.

The hybrid is simple in concept, if not construction. An internal combustion engine, smaller than in a conventional car, runs constantly at its most efficient speed to charge a battery pack which actually *drives the vehicle — the* "series" hybrid. The "parallel" version's engine can help drive the vehicle when extra power is needed or charge the batteries when it is not.

The advantage of the systems are that the vehicles can travel well beyond the very restricted —at most 60 miles—range of a lead acid batteried vehicle, yet use considerably less liquid fuel than a conventional vehicle.

A British company, Dragonfly Research, demonstrated a hybrid bus built for Greater Manchester Passenger Transit Authority, which is shortly to start testing it. It also showed its Nova sports car on which its hybrid concepts were first *developed. Like a prototype* Audi car also shown—developed jointly by General Electric Company of the U.S. and Volkswagen Audi—it is claimed to have at least a 70 per cent better liquid fuel consumption, with the potential for 100 mpg performance.

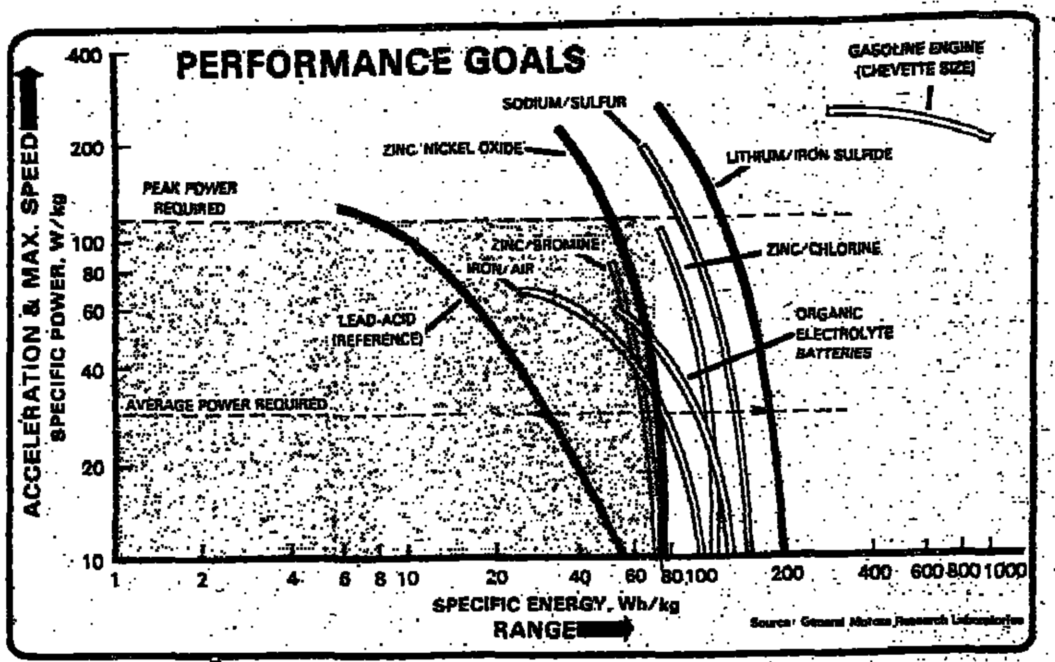
But the disadvantages are equally obvious: carrying around a redundant drive system for much of the time; the cost of battery packs in addition to fuel; and, the biggest drawback, manufacturing costs, even with an early com*mitment to high volumes, could* be very much higher than a conventional vehicle because of their extra complexity.

Nevertheless, many volume makers are investigating the concept further, not least *Daimler-Benz, which gave its* own appraisal of progress last week. It inclines to the view that if a traffic compatible roadgoing electric car is to appear within the next 15 years, that is the form it will most likely take.

The view is one shared by the House of Lords Select Committee on Science and Technology, whose exhaustive, 200-page study of EVs concluded that hybrids merited extra funding over and above the Government's existing financial support for research into batteries and drive systems.

"Success may be 15 years away, or may never arrive," the committee concluded, "but they must be tried, and enough research and development must be done to prove their potential or kill them off if they are no good."

In the case of the purely battery-powered car, limited range is the biggest drawback—illustrated by the fact that 450 lbs of lead acid batteries are needed to provide the energy content of one litre of petrol. Super-batteries are unlikely to reduce that to less than 150 lbs. Other disadvantages include lengthy recharging times and an absence of infrastructure to recharge them. *GM considers* they are feasible only because the U.S. two-vehicle family is sufficiently widespread for one of these vehicles to be no more than an in-town runabout.



Specific energy defines a battery's energy storage capability and is a good *indicater* of an electric vehicle's range. Specific power defines how quickly energy can be tapped from a battery and gives an indication of top speed and acceleration. A small hatchback fitted with the maximum sustainable load of existing lead acid batteries could be expected to travel for about 50 miles at speeds up to 50 mph

Thus European development *has concentrated more on specific applications*, such as urban commercials and buses, where the EV's disadvantages are least apparent.

The Dodge 50 vehicles, assembled by Karrier Motors, *Talbot's commercial vehicles* offshoot now owned jointly with Renault Vehicules Industriels, might be treading new ground in terms of exploring commercial acceptability. But they will be joining an assortment of roadgoing electric commercials already in use. Among them are 100 Lucas prototypes based on Bedford's one-tonne CF van, some earlier Dodge electric vans and a fleet of heavier vans built by Crompton Electricars, a Hawker Siddeley subsidiary.

These have all been undergoing assessment with commercial users, in part under the "London Goes Electric" scheme sponsored by the Electricity Council and the Department of Industry. Prototypes on Ford's Transit and BL Sherpa have also been built.

Initial Services, the industrial workwear group, has been sufficiently impressed to switch its London delivery fleet to all-electric, 20 miles per hour Crompton vehicles. But while *all the vehicles have demon*strated the potential for whole-life costs competitive with diesel vehicles, that the Department of Industry still considers it necessary to offer its subsidy carrot indicates all too clearly that there is a long way to go.

Chloride and Lucas until earlier this year were following separate EV development paths; not the best tactics for two UK industry leaders in a market which, if it develops at all, will be on an international scale. Thus they have now set up a joint company, Lucas Chloride EV Systems, which will concentrate on developing and marketing batteries and drive systems. A five-year, £10m-programme is under way, with half the funds coming from the DoI, which is anxious that the two British companies should not lose what the three believe is a world-wide lead of about 18 months in such technology.

Yet despite this pooling, the British approach to EVs remains fragmented. It rankles with Dragonfly, for example, that in spite of its extensive R and D efforts—which have received considerable attention in the U.S.—the Government's belief that progress will rest with "large, research-based organisations" has led to it being passed over for support from government agencies.

Partly the fragmentation is because of scepticism towards passenger EVs. But another im*portant reason is cited by BL* Technology, the State-owned group's R and D arm.

This is that, without a major realignment of manufacturing operations, those best able to bring EVs into production, the volume vehicle manufacturers, stand to gain little from them. It estimates that currently only about one-third of the added value of a purpose-built EV would accrue to the vehicle-maker, the remainder to battery and systems manufacturers.

The third constraint is straight Catch 22: commercial success of EVs will depend on the initial price being brought down to much closer to that of a "normal" vehicle than it is at present. But that can only be achieved if volumes are high enough. And the volumes cannot be achieved if the price is too high. . . .

In the case of the Chloride/Dodge 50, Talbot believes that "the future of such models as normal production vehicles depends on getting the capital cost ratio down to about 1.7:1 compared with its diesel equivalent, against 2:1 now."

But is the EV market, given the current cost and performance gulf with conventional vehicles, worth *pursuing?*

An EEC Commission study 18 months ago concluded that EVs could account for 5 per cent of the total EEC market, or 1m vehicles, by the turn of the century. In the U.S., consultants Arthur D. Little have just published a report suggesting that U.S. output could be 250,000 a year by 1990 if the Department of Energy, facing abolition under the Reagan Administration, was allowed to proceed with the co-operative development agreement it has proposed to U.S. manufacturers.

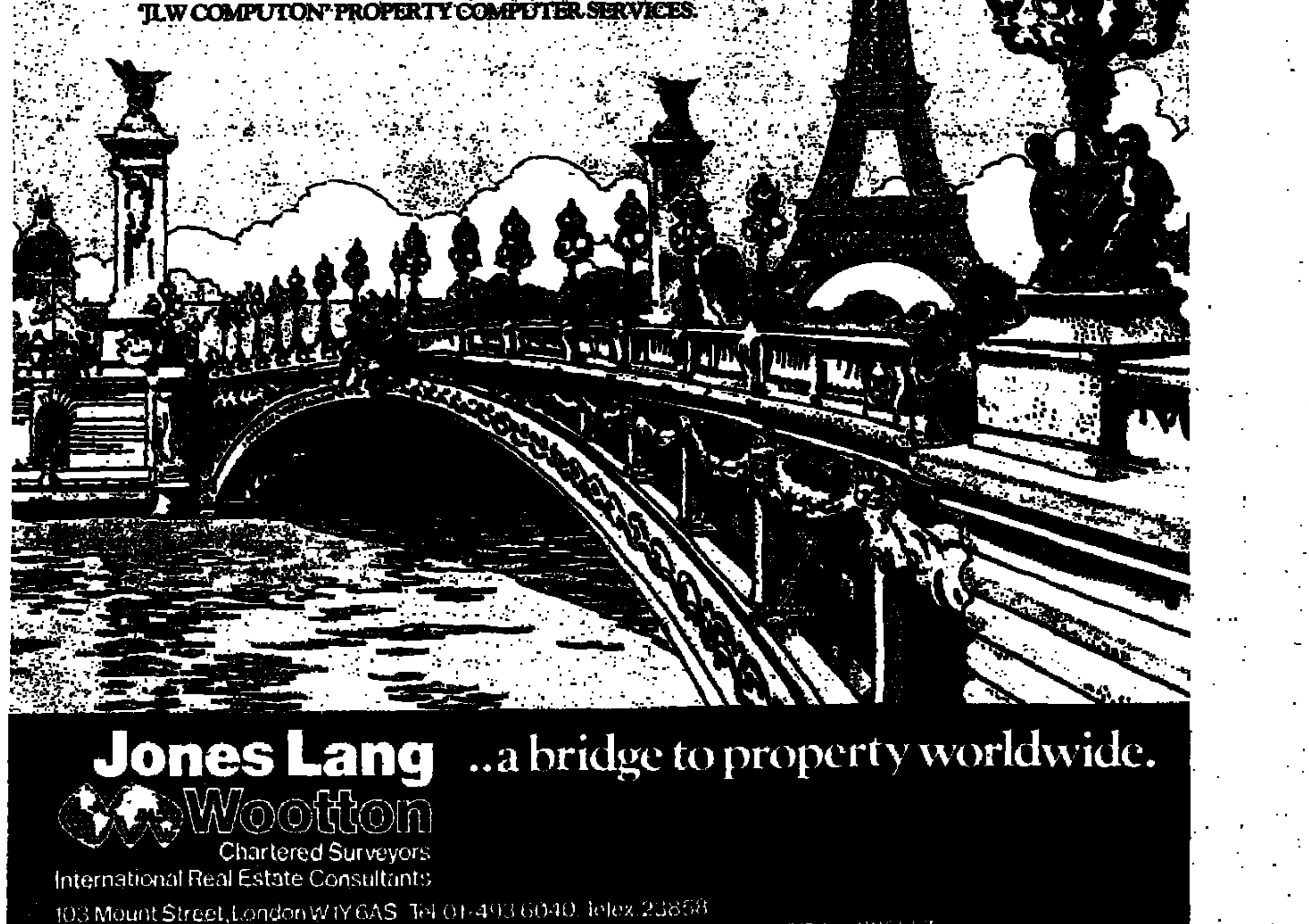
If not, will Japan take up the running instead? This could be important because Daihatsu, which makes nearly ½m petrol and diesel vehicles a year, has the lion's share of an official Japanese EV programme planned to put 200,000 of them on the road by 1985. It is believed to have achieved, or be very close to achieving, a commercially viable nickel/iron "superbattery." The first phase of its Ministry of Trade and Industry-directed research programme was ending in 1976 as those of Britain and U.S. were starting.

Japan has formally claimed its EV work "has attained the highest level in the world." Given the Japanese obsession with loss of face, such claims are made rarely, and never lightly.

The British companies say they are not worried; that if the Japanese do get in first they would be helping to make EVs appear more credible. Because leaders in the British industry currently are interested more in selling battery and drive systems than complete vehicles, it would not matter who initially created the market. As long as it became established, opportunities to sell their systems should arise as more and more manufacturers joined in.

Yet the West's motor industry finds it difficult enough to compete with Japan in the conventional vehicles field, where it still retains a technological advantage.

Japan's electric vehicles have been mostly developed "in house," including the batteries and drive systems on which Chloride's and Lucas's success is staked. If the Japanese do enter the field first in volume, with technology which turns out to be equal to, or even ahead of, the West's, then they could well wind up calling an uncomfortable number of shots as the EV market develops.



New York slide hits Eurodollar bond prices

By Alan Friedman

EURODOLLAR BOND prices fell sharply yesterday as the market reacted to Friday's slump in the New York bond market and yesterday's rise in short-term Eurocurrency interest rates.

The Eurodollar market opened one point down at the longer end and ½ to ¾ point down among short-term fixed interest bonds. Worries over the Reagan budget deficit were fuelled by a nervous opening of the bond market in New York as prices of long-term Treasury stock started trading more than a point off Friday's level.

Six-month Eurocurrency Interest Rates

Currency	Yesterday %	Change on week
Eurodollar	18⅝	+1
Swiss franc	12 7/16	+1¼
D-mark	12⅞	+ ½

There was some selling in the Eurodollar market, but prices fell mainly as dealers marked bonds lower. The slump in world stock markets, although not a direct factor in the falling bond market, contributed to what one banker called "a sense of unease."

Recent issues were not spared from yesterday's mark-down. In pre-market trading, last week's 16½ per cent (World Bank issues were being quoted below Friday's level. The five-year $130m first tranche yesterday attracted a bid price of 96½, against the issue price of par. Likewise, the seven-year $100m second tranche was quoted at 96½ against par.

Meanwhile, the 16¾ per cent ten-year issue for the Canadian Imperial Bank of Commerce was quoted yesterday at a bid price of 95½, down 1¾ points on the day. The recently launched $30m Swedish convertible for Aga was bid at 96.

Venezuela plans $500m funding

BY DAVID LASCELLES IN NEW YORK

VENEZUELA expects to come to the international capital marketse for about $500m in the next three months and plans to maintain a continuous presence there as it carries out its heavy public sector financing programme. Sr Luiz Ugueto, the Fi nance Minister; told a meeting of bankers

Following the enactment of new public credit laws this summer, Venezuela has put together borrowing plans for three major purposes: refinancing the public debt; funding the electriicty programme; and building the Caracas underground railway. Although much of this will be financed internally, Sr Ugueto said that the domestic market was limited and that subtantial use would be made of international markets as well.

Heading the list is refinancing Venezuela's public debt of 61.6bn bolivars ($14.4bn). About 30 per cent of this will be refinanced in the next nine months, one fifth of it abroad. This will include a $500m foreign borrowing. Mr Ugueto said Venezuela had decided not to go for the much-expected "jumbo-loan" because it preferred the flexibility of coming to the market more frequently for smaller amounts, mainly because of the uncertain state of the markets.

The electricity programme will need 28bn bolivars, of which 16bn will be borrowed abroad. The metro will need 4bn bolivars which will be raised either in bolivars or in foreign currencies.

The state investment fund will also be raising money to finance public corporations, like steel.

Venezuela will spread its borrowing among a number of markets and currencies. According to a senior official from the central bank, borrowing will be made either by means of Eurobonds or syndicated loans, and denominated in dollars, D-marks, yen, Swiss francs and sterling on the bulldog market. He said Venezuela will also make use of the Middle Eastern and Far Eastern capital markets.

$130m for U.S. utility

BY FRANCIS GHILES

CAROLINA POWER and Light has arranged a $130m five-year loan through Morgan Stanley which will serve as a back-up line for the issuing of commercial paper in New York. The borrower is paying a split margin over the interbank rate of ½ per cent for the first three years, rising to ⅝ per cent.

● Marathon Petroleum, the Irish subsidiary of the U.S. Marathon Oil Corporation, is arranging a $270m Eurocredit under the acgis of Chase Manhattan Bank and the Bank of Ireland A sum of $200m of the total consists of fresh funds, the rest being in effect refinancing of an earlier loan. The borrower is paying a spread of ⅜ per cent for eight years.

● Indonesia has asked Bank of America, Lloyds Bank International and Industrial Bank of Japan to arrange a $300m 10-year loan which will include a margin of ⅜ per cent, the lowest yet for this borrower. Indonesia is benefiting, along with a few other east Asian countries including Malaysia, from a further fall in the margins at which banks are prepared to lend them funds.

● The terms of the $2bn recently arranged through Morgan Guaranty for Standard Oil of Ohio include an option to pay the prime rate of the leading bank, or ½ per cent over certificates of deposit (CDs) of various maturity or ⅜ per cent over the Libor rate.

Grumman files suit to thwart LTV bid

By Our New York Staff

GRUMMAN, the Long Island military aircraft maker which rejected a $450m takeover bid by LTV over the weekend, filed an anti-trust suit in New York yesterday in an effort to thwart the Dallas-based conglomerate.

The suit says that Grumman and the Vought aerospace division of LTV are competitors in the market for U.S. Navy aircraft, as well as in the air frame market, and that a merger would result in reduced competition.

Anti-trust actions are a common blocking tactic in hostile takeover bids, and LTV did not seem dismayed by the development yesterday. Mr Paul Thayer, LTV's chairman, said he was not surprised that Grumman had rejected the takeover bid, and he said he did not think they could win an anti-trust suit.

"We will stay in the fight," he vowed.

On Sunday, Grumman's board rejected LTV's $45 a share offer as inadequate, and the Pentagon has also expressed unease because of the possible impact on U.S. weapon suppliers.

Bally to buy Six Flags from Penn Central

By Our New York Staff

BALLY MANUFACTURING, the large gaming and entertainments company, is to buy Six Flags, one of the largest amusements park groups in the U.S., for about $140m.

The seller is Penn Central, the reconstituted railroad company which is forging a new existence for itself in energy and manufacturing. Terms are the payment of $75m in cash with the rest in a three-year note yielding 16 per cent.

Six Flags is the second largest U.S. amusement parks enterprise after Walt Disney.

Advance seen by Warner Lambert

By Our Financial Staff

WARNER - LAMBERT, the pharmaceuticals and consumer products group, expects to lift its operating earnings by 20 per cent in the final half of this year.

The company said that in its second quarter it had begun to derive benefits from its new strategic plan, which has seen the company divest low margin businesses and shut less efficient operations.

However, despite the 11 per cent improvement in operating earnings—which Warner-Lambert takes as before currency translation and non-recurring items—net profits for the second quarter were down from $39.73m to $55.14m.

The company believes that the improvement in operating profits in the final six months of the current year will result in an overall rise in annual operating earnings, which will be followed by double digit earnings growth in 1982

In the first quarter the company took a $134m after-tax charge for planned sales of businesses and the closure of a consumer products manufacturing plant, which left a net loss of $57.73m for the first six months against a $115.8m profit in 1980. Total 1980 net profits were $192m.

Ruling on mutual funds

By Our New York Staff

NEW YORK State-chartered banks and trust companies can organise open-end investment funds or mutual funds through subsidiaries, announced Ms Muriel Siebert, State Banking Superintendent.

The ruling is significant because it outlines ways banks can operate mutual funds without violating the Glass-Steagall Act, the Federal Law that prevents commercial banks from doing many brokerage activities, such as operating a mutual fund. It is limited, however, because it covers only 56 banks and trust companies with assets totalling $16.7bn operating in New York, that do not have Federal charters, and excludes the State's banking giants, such as Citicorp, Chase Manhattan, and Manufacturers Hanover.

However, the ruling was sufficient to irritate the Investment Company Institute, a Washington DC-based trade group. Its officials view the New York ruling as a weapon the country's big banks — which have been seeking to operate money funds to compete with such Wall Street names as Merrill Lynch, Pierce, Fenner and Smith—might use to persuade Congress to end Glass-Steagall prohibitions.

Interest rate windfall for Harvester

Ian Hargreaves in New York looks at the debt pact beween the U.S. farm equipment and truck maker and its eight principal banks

ANY WHO considered the no-nonsense way in which U.S. banks dealt with ailing Pan American World Airways a sign of a toughening in attitudes to problem customers would need to think again in the light of last week's deal between International Harvester and its eight lead banks.

Harvester announced on Friday agreement in principle with the banks for a $4.1bn debt rescheduling. This is the second such agreement inside a year. The first, much less generous deal, was never signed and had to be torn up because Harvester's cash haemorrhage had rendered the terms inadequate.

Among the terms of the latest agreement is a cap on the cash Harvester will have to pay in interest charges. Harvester will pay not more than 16 per cent on $1.5bn of parent company debt while on $1.9bn of debt at its unconsolidated credit subsidiary, the top interest rate will be 11 per cent. With prime rate at 19.5 per cent, and possibly heading higher before year-end, that represents a windfall worth $20m a month, according to Harvester.

In return for this generosity, Harvester has offered a number of compensations.

● Loans to the company will be given the security of collateral in the form of fixed assets, although no particular assets are named against specific loans, and there is no alteration to the priority of the banks in the event of bankruptcy. The importance of this clause may, therefore, be more apparent than real.

● The banks will be entitled to notes from Harvester covering the value of the interest payments they have forgone. These notes mature in 2004 for the parent company debt, and 1998 for the credit company. In addition, lenders to the parent company will gradually build up rights entitling them to buy Harvester common stock at $10 per share—a price which may yet come to seem highly attractive. In late 1979 Harvester shares were selling for more than $45 each. The maximum number of shares which could go to the banks under this scheme is 4.4m.

The banks have also ensured —as is customary in what U.S. bankers call "workout situations"—that Harvester will not pay any dividends to shareholders during the life of the loan agreement, due to expire in December, 1983.

The deal, which has to be ratified by Harvester's 200 bankers worldwide, is better than the company could have dreamed of six months ago, when Harvester executives—along with many other U.S. businessmen—were still convinced that President Ronald Reagan would quickly rescue them from high interest rates.

Some explanation is required as to why the banks have agreed to go so far to help Harvester when others, such as White Motor, a Harvester competitor, have been either pushed into bankruptcy or, like Pan Am, forced into massive retrenchment.

The crucial difference (apart from that of size) is that most bankers involved believe that Harvester's products and market position in its two main businesses, farm machinery and trucks, remain very strong. Harvester's market share has, in fact, improved in several areas this year. This confidence may have been damaged by the poor impression created by Harvester top management in the handling of last year's United Autoworkers' strike. Yet the banks seem prepared to accept that the company's failure to prepare itself financially for a long strike was at least in part the fault of the banks themselves.

"The Harvester story is quite simply one of interest rates," said one banker. "High interest rates depress their markets and add immensely to their costs at the same time."

So the strategy is to ease Harvester's interest burden in order to help the company conserve cash, in the belief that it will emerge sound and profitable once demand for its products improves.

Another important cash conservation measure agreed last week is that the lead banks are no longer insisting that Harvester pay off debt with the $505m it raised earlier this year by selling its turbine engine division. This money has been invested and still appears on Harvester's balance sheet as a current asset.

Even more encouraging for Harvester, the banks do not seem to be applying pressure for major asset sales, even though there will continue to be a trickle of small-scale rationalisations. Some bankers would still like to see Harvester rid itself of its construction division. But with the U.S. construction market in its worst condition for many years, they have had to accept that there are few, if any, potential buyers for a chronically unsuccessful part of the Harvester empire.

Whether these first aid measures will save the patient is, however, another question.

The interest rate caps will certainly help, although they have to be seen in the context of the scale of Harvester's operating losses, which will probably reach $500m for the fiscal year which ends in October. Harvester also still has a mountain of debt — $3.7bn in the parent company alone — which it has little immediate prospect of reducing.

In the longer term, there must also be concern about the erosion of Harvester's ambitious capital spending programme. Mr Archie McCardell, Harvester's chairman, said two years ago that the company needed to spend $500m a year between 1980 and 1985 to bring its manufacturing facilities to a competitive level. Yet this year's capital budget has gradually been trimmed to $330m, while next year's may be lower still, although Harvester has still to release any projections.

It can be said it Harvester's defence that all its competitors are also feeling the pinch. Massey-Ferguson has been helped out by the Canadian Government; Allis-Chalmers is making big cuts in production; and even Deere is preparing to scale back. In the meantime, a price war is taking place, which may be popular down on the farm, but which is proving ruinous to the machinery makers' profit margins.

The lead bankers believe that their proposed deal will for two years give Harvester an umbrella under which to shelter from turbulent interest rates and beneath which management can press ahead with plans to cut overheads and inventories and generally raise productivity and efficiency.

The deal will not, of course, lessen theimpact of high interest rates, on the demand for Harvester's products, although it will no doubt prove tempting for Harvester, as it did for Chrysler, to use the relief provided by the restructuring to price its products more aggressively.

First-half surge at Wah Kwong Shipping

BY OUR HONG KONG CORRESPONDENT

WAH KWONG Shipping and Investment, which controls deadweight tonnage of more than 3.2m and has a further 30 vessels on order, increased its half-year profits by 40 per cent to HK$73.4m (U.S.$12m) in the six months to June 30.

Mr Tsong-Yen Chao, the chairman, warned that the continuing high level of interest rates had put pressure on an already-weak shipping market, and forecast that international shipping would remain in the doldrums for at least another two years.

An interim dividend of 10 cents has been declared, out of earnings per share of 43 cents.

In May, Wah Kwong bought the remaining 48 per cent minority interest in Arun Investment, owner of the Francois Venture, making the company a wholly-owned subsidiary of the group. The vessel was later sold. Contracts for four new ships, to be delivered in 1982-1983, were struck, said Mr Chao. Three of the vessels would be paid for in Japanese yen.

● Hopewell Holdings, owner of the 66-storey Hopewell Centre in Hong Kong's Wanchai, has announced profits after tax for the year ended June 30 of HK$153.7m (U.S.$25.3m), a 42 per cent rise on 1980.

The company—which earlier this year completed Asia's tallest building adding another two stories half-way through its development—has recommended a four-for-one stock split dividing the HK$2 shares into four of 50 cents each.

On the basis of yesterday's closing price, this amounts to a new market value of about HK$4.25 per share.

The directors have also recommended a final dividend of 40 cents per share. Together with the interim figure of 15 cents, this amounts to a total dividend for the year of 55 cents, to show a rise of 37.5 per cent.

The board is to propose a one-for-four bonus issue to be distributed to shareholders on October 27. The new shares will not rank for the final dividend, but in all other respects will rank with existing share capital.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond orices which will be published next on Thursday October 15.

Closing prices on September 28

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
CIBC 14½ 84	185	94¼	94¾	−0⅛	−1⅛	17.24
CIBC 15¼ 86	75	94½	94⅞	−1⅛	−1⅛	16.91
CNA 15¼ 86	75	88¾	89¼	−0¾	−0⅞	17.31
CNE 13¾ 91	100	79½	80	−0½	−0⅝	17.21
Citicorp Int. Fin. 15 86	150	94⅞	95¼	−0⅜	−1⅛	16.49
Citicorp O/S 15½ 84	175	98⅝	99⅛	−0⅜	−0⅝	15.93
Cities Service 17 88	150	100½	101	−0⅞	−1¼	16.80
Con. Illinois 14¾ 84	100	94¼	94⅝	−0⅜	−1⅛	17.32
EEC 14¾ 93	65	87½	88	−1⅛	−2⅜	17.20
EIB 16½ 88	100	97¼	97¾	−0⅜	−1½	17.13
Eldorado 13¾ 86	50	89⅛	89⅝	0	+0¼	16.73
Elec. de France 13 88	125	84¼	84¾	−0⅜	−0⅞	17.15
Fed. Bs. D. 15¾ 84 (J)	40	98	98½	−0⅜	−0⅝	16.48
Finland, Rep. of 9½ 86	100	76¾	77¼	−0⅜	−1	17.29
Ford Cr. O/S Fin. 16 84	150	98½	98⅞	−0¼	−1	16.72
Ford Cr. O/S Fin. 16 85	150	96½	97	−0⅜	−1⅛	17.16
Gaz de France 13½ 86	80	88¾	89⅛	−0⅜	−1⅛	17.25
GMAC O/S Fin. 12⅞ 88	100	84⅜	84⅞	−1¼	−1⅜	16.95
GMAC O/S Fin. 14¼ 87	100	91⅞	92⅛	−0⅜	−1¼	16.94
Genstar 14¾ 91	50	†89	89½	−1⅞	−3⅜	17.04
Hiram Walker 16 86	50	98⅞	99⅜	−1	−1⅜	16.20
IBM Wld. Trade 14¾ 84	100	99¼	99¾	−0¼	−1¼	14.89
IBM Wld. Trade 14½ 85	60	98½	99	−0⅜	−0¼	15.15
Nat. Bk. Canada 15¼ 84	40	95½	95⅞	−0½	−2	17.28
Newfoundland 17¼ 89	80	100⅜	100⅞	—	—	17.10
Nova Scotia 15 91	75	90	90½	−1⅞	−2⅜	17.07
Ontario Hydro 13½ 91	100	85⅝	86⅛	−1¼	−0⅜	16.51
Pacific Gas Elec. 16 88	75	100⅛	100⅝	−0¾	−1⅛	15.87
PSNH Int. Fin. 17 86	30	97⅞	98⅜	−0¼	−0⅞	17.56
Royal Bk. Canada 14 86	100	92⅞	93⅛	−0¼	−0⅝	16.16
SNCF 13 91	75	80⅞	81⅛	−1½	−2⅜	17.13
Shell Canada 15¾ 91	100	96⅞	97¼	−0⅜	−0⅞	16.37
Sth. California 14 87	50	91¾	92¼	−1⅞	−2⅝	16.23
Sth. California 14¾ 88	50	91	91½	−3	−3⅝	16.97
Sven Handlsbk. 13¾ 88	45	84¾	85¼	−2⅝	−3¼	17.73
Swed. Ex. Credit 13 86	75	86½	87	−0⅞	−2⅛	17.57
Swed. Ex. Cred. 15¾ 86	50	94	94½	−1	−1⅜	17.56
Toronto-Dom. Bk. 14 84	50	93½	94	−0½	−1	17.09
Transcanada 17¼ 88	75	100⅞	101⅜	—	—	17.45
Tribune O/S Fin. 14 86	50	89⅜	90¼	−0⅜	−0⅞	17.32
Walt Disney 15⅜ 85	100	96	96½	−0¼	−1	16.91
Wells Fargo Int. 15½ 84	50	98	98½	−0¼	−1½	16.23
World Bank 14⅛ 85	500	91	91½	−0⅜	−2	17.14
World Bank 16 86	210	95⅞	96⅜	−0⅜	−2¼	17.20
World Bank 16 88	80	95⅞	96⅜	−0⅞	−2¼	16.94

Average price changes... On day −0⅜ on week −1⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 10 91	100	96	96½	−0½	−0¼	10.60
Austria Rep. of 8¼ 92	150	85	85¾	−0⅜	−1	10.56
CECA 7⅞ 92	150	†84	84½	−0½	−1⅛	10.32
CECA 10 91	120	†98	98¼	−0⅛	−0⅝	10.26
Cii-Honeywell 8⅜ 90	125	†84¼	85	0	−0⅜	11.19
Council of Europe 10 91	100	95⅝	96⅛	−1¼	−2	10.64
EIB 8½ 90	200	87⅞	88⅜	−0¼	−0½	10.60
EIB 10½ 91	200	†99½	100	−0⅛	−1⅛	10.54
ESCOM 9¼ 87	100	89⅞	90⅜	−0⅞	−1⅜	11.59
Finland, Rep. of 10 89	100	96¾	97¼	−0⅛	−1⅛	10.55
Iberduero SA 9 90	100	†89½	90¼	−0⅛	−0⅜	10.82
Ind. Bk. Finland 8½ 89	50	†88½	89¼	0	−0⅜	10.45
Int.-Am. Dv. Bk. 10 91	100	†97½	98¼	0	−0⅜	10.34
Japan Air Lines 8¾ 87	100	90⅜	90⅞	−0⅜	−1⅛	10.25
Japan Dev. Bk. 7⅝ 87	100	88⅜	89⅜	−0⅛	−1	10.18
Kobe, City of 8 90	100	87⅞	88⅜	−0⅜	0	10.09
Midland Int. Fin. 8½ 90	180	88¼	89	−0½	−1	10.50
Nuclebras 9¾ 88	100	†89¼	90	−0⅛	−0⅜	12.03
OKB 8¾ 92	150	†83¾	84½	−1⅛	−2⅛	10.80
Oslo, City of 8⅜ 90	80	90⅜	91½	−0¼	−0⅛	10.36
Renault Acc. 10¾ 88	150	97¼	97¾	−0⅜	−1⅛	11.43
Venezuela, R. of 9¾ 90	150	92⅞	93⅜	−0⅞	−0⅜	10.95
World Bank 8 90	700	84⅞	85⅜	−0⅜	−0⅛	10.85

Average price changes... On day −0½ on week −0⅜

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 6½ 91	80	88½	89	+0¼	−2¼	8.23
BFCE 6½ 91	100	88¾	89	−0¼	−1¼	8.24
Bayer Int. Fin. 5¾ 92	100	83⅞	84⅛	−0⅜	−0⅝	7.44
Bolgelectric Fin. 7¼ 91	100	98	98¼	+0⅛	0	8.03
Bergen, City of 6⅞ 91	40	†94½	95	0	−0⅜	7.53
CECA 6⅜ 91	80	†92½	92¾	+2⅞	+1⅞	7.86
Denmark 5⅞ 90	80	81⅞	82⅜	−1	−3⅛	8.77
Dome Petroleum 5⅞ 91	100	86½	86⅝	−0½	+0½	7.87
Dome Petroleum 7¼ 90	100	99⅛	99½	−0¼	−1	7.36
Elec. de France 5¾ 90	100	†81	81½	−0¼	−0⅛	8.29
Eurofima 5¾ 92	80	88	88¼	−3⅛	−2⅞	7.36
Finland, Rep. of 5⅝ 90	80	84¼	84½	−0⅜	+2⅛	8.16
Franc. Petroles 6½ 91	90	†90	90¼	+0⅛	−1⅞	8.01
Genstar 7 91	100	97⅛	97⅝	0	+0½	7.40
Int. Amer. Dv. Bk. 7 91	100	†90½	90⅞	−1⅛	−2⅛	8.46
Japan Dev. Bank 5¾ 90	100	†90½	90¾	0	+2⅛	7.20
Mt. Blanc Tunnel 5½ 90	60	84¾	84¾	0	+0¼	7.98
Newag 5¾ 90	90	†83¾	84¼	−0⅛	−1	8.39
OKB 7 93	100	†100	101	+4⅞	+5¼	6.93
Oslo, City of 5⅞ 90	80	†88	88½	−0⅜	−1⅛	7.73
Philips Lamps 5¾ 92	100	84⅜	85	−1⅛	−0⅛	7.32
Swed. Ex. Credit 7¼ 91	75	†91	92	−0¼	−2⅛	8.58
Trade Dev. Fin. 6½ 90	50	90	90½	0	−0¼	7.87
Voest-Alpine 5¾ 90	80	*83¼	83¾	−2⅛	+0⅛	8.46
World Bank 6 91	100	85½	85⅞	−0⅜	−3⅛	8.32
World Bank 7 90	100	94⅝	95	−2	−1⅞	7.84

Average price changes... On day −0⅛ on week −0½

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bk. 8⅛ 91	15	96⅜	97⅜	−0⅛	0	8.59
Australia 8½ 88	20	84⅞	85⅞	−0⅛	−0⅛	9.55
EIB 7⅞ 89	12	93½	94⅜	0	+0⅛	8.83
Finland 6.8 88	10	84⅞	85⅞	−0⅛	0	9.86
Finland, Rep. of 8⅜ 87	15	96	97	0	+0⅛	9.17
New Zealand 8⅛ 87	15	97¼	98⅛	0	+0⅛	8.91

Average price changes... On day −0⅛ on week 0

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Ball Canada 10¾ 86 C$	60	†82	83	0	−0⅞	16.10
CIBC 13½ 85 C$	50	†90	91	0	−0¼	17.13
CIBC 11½ 85 C$	60	†84½	85½	0	+0¼	17.19
Federal Dev. 11½ 90 C$	60	†74	75	−0½	−1	17.32
Fst. Can. Inv. 10 84 C$	50	†83	84	0	−0½	18.36
R. Bk. Canada 10 86 C$	40	†82	84	0	+0⅛	15.34
Tordom Can. 13½ 85 C$	30	†91½	92½	−0½	0	16.51
M. Bk. Dnmk. 9 91 EUA	25	80¾	81½	0	−2⅛	12.40
SOFTE 8¾ 89 EUA	40	77¼	78⅛	0	0	13.00
U. Bk. Nwy. 9½ 90 EUA	18	84¼	85½	−1⅛	−1⅛	12.47
Algemene Bk. 10¾ 86 Fl	60	92¼	92¾	−0¼	−0⅜	12.51
Amro Bank 12 86 Fl	75	98⅛	98⅝	−0¼	−0⅞	12.40
Heineken NV 10 87 Fl	100	90	90½	0	−0⅛	12.44
Nat. Nedrlndn. 10 88 Fl	60	92⅛	92⅝	−0½	−0⅞	11.74
Ned. Midd. Bk. 10 85 Fl	75	93½	94	+0¼	+0⅛	12.11
Pierson 10¼ 86 Fl	50	92	92½	+0¼	−0⅛	12.59
Rabobank 12 86 Fl	50	97⅜	98¼	+0¼	−0¼	12.55
Air France 14½ 86 FFr	200	88½	89½	−0⅜	−0½	18.15
Bk. America 14½ 86 FFr	250	88⅛	89⅛	0	−0¼	18.09
Charb'nages 13⅞ 85 FFr	400	87⅞	88⅞	+0¼	−0⅛	17.97
EIB 14¾ 88 FFr	300	83⅜	84⅜	−1⅛	−1⅞	18.50
La Redoute 14¾ 85 FFr	125	86½	87½	+0⅜	−0¼	19.03
OKB 14 86 FFr	400	88½	89⅛	+0¼	0	17.86
Solvay et C. 14¾ 86 FFr	200	89½	90½	−0¼	−0⅜	18.10
Swed. E. Cr. 14¾ 86 FFr	250	86⅛	87⅜	−0⅛	−0⅛	18.98
U. Mex. Sts. 14 85 FFr	150	87⅜	88⅜	0	−0½	18.64
Acona 14 85 £	20	89⅜	90⅜	+0¼	−0⅞	17.56
Beneficial 14¼ 90 £	20	79½	80½	−0⅜	−1⅛	18.96
BNP 13½ 91 £	15	81⅞	82⅝	−0⅛	−0⅜	17.44
CECA 13½ 88 £	20	84¼	85	−0⅛	−0⅞	17.43
Citicorp O/S 13½ 90 £	50	84⅞	85⅜	−0⅛	−2⅛	16.88
Fin. Ex. Cred. 13¾ 86 £	15	88⅜	89⅜	−0⅛	−1⅛	17.33
Gen. Elec. Co. 12½ 89 £	50	82⅛	83⅛	−0½	−1	16.68
Hiram Walker 14¾ 86 £	25	90¼	91¼	−0¼	−0⅞	17.21
Privatbanken 14⅞ 88 £	12	87¼	88¼	−0⅛	−0½	17.73
J. Rothschild 14¼ 90 £	12	88	89	−0⅛	−3⅛	16.81
Royal Trustco 14 86 £	12	90⅜	91⅜	−0⅛	−0⅞	17.05
Swed. Ex. Cr. 13¾ 86 £	20	89⅜	90⅜	0	0	17.13
Akzo 9⅛ 87 LuxFr	500	86⅛	87⅛	0	−2⅛	12.51
Euratom 9¾ 88 LuxFr	500	86⅛	87¼	−0⅛	−0⅞	12.93
Eurofima 10½ 87 LuxFr	500	88⅜	89⅜	0	−0⅛	13.27
EIB 9¾ 88 LuxFr	600	84⅜	85⅜	−0⅛	−0⅜	13.31
Volvo 9⅛ 87 LuxFr	500	*84⅜	85⅛	0	+0⅛	13.55

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Bank of Montreal 5¼ 90	0¼	98½	99	18/12	19⅛	18.95
BBL Int. 5 86	0¼	99⅜	99⅞	20/11	18.31	18.38
BNP 5½ 88	‡0⅛	99⅛	99⅞	29/10	18.81	18.88
Christiana Bk. 5½ 91	‡0¼	98⅛	99⅛	5/11	19.19	19.38
Citicorp O/S Fin. 5⅞	‡0	99⅜	100⅛	30/9	19.19	19.19
Co-operative Bk. 6 86	0¼	99⅛	99⅝	15/11	19.56	19.66
Den Norske Credit 6 90	‡0¼	99	99½	5/11	19.19	19.33
Genfinance 5¾ 87	0¼	99⅛	99⅞	30/10	16.94	17.00
Genfinance 5⅜ 92	0¼	99⅜	99⅞	30/12	18.31	18.40
Giro und Bank 6½ 91	‡0¼	98⅛	99⅛	23/12	17½	17.70
GZB 5¼ 92	‡0¼	98⅛	98⅞	6/12	17⅛	17.45
Ind. Bank Japan 5¼ 88	0¼	99¼	99⅜	9/10	16.44	16.52
Lloyds Eurofin 6 90 £	0¼	96⅛	96⅞	6/1	13⅝	14.12
Lloyds Eurofin 5¼ 92	0¼	98½	99⅛	4/12	17.44	17.64
LTCB Japan 5¼ 86	0¼	99¼	99¾	13/12	17¼	17.34
LTCB Japan 5½ 89	0¼	99⅛	99⅝	18/1	18.32	18.43
Man. Hanov. O/S 5¼ 94	‡0¼	99½	100	30/11	19⅜	19.42
Merrill Lynch O/S 87	‡0¼	99¼	99¾	9/11	19.06	19.16
Midland Int. Fin. [illegible] 92	0¼	99	99½	5/12	17⅜	17.51
Midland Int. Fin. 5 91	0¼	98⅞	99¼	30/10	16.81	16.98
Nacional Fin. 6¼ 86	0¼	99⅛	99⅜	25/1	19⅜	19.42
Nacional Fin. 5½ 88	0¼	97⅛	97⅜	26/3	17.31	17.78
Nat. Bk. Canada 5¼ 88	0¼	98⅞	99⅜	24/3	17.31	17.47
Nat. West. 5¼ 94	§0⅛	98⅞	99¼	14/10	16.19	16.35
Nat. West. Fin. 5¼ 91	§0¼	98⅞	99⅜	15/1	18⅛	18.28
Nat. West. Fin. 5¼ 92	§0¼	98⅜	99¼	23/10	16.81	16.98
Pemex 6 91	0¼	97⅛	97⅝	8/10	15.31	15.71
Sanwa Int. Fin. 5¼ 88	0⅛	98⅛	98⅞	23/3	17¼	17.49
Societe Generale 5¾ 91	0⅛	99	99½	22/1	18⅜	18.77
Sparebanken 6 87	0¼	98¼	98¾	19/12	16.81	17.07
Svenska Hndlsbk. 5 87	0¼	99¼	99⅜	15/1	18⅛	18.22

Average price changes... On day −0⅛ on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5¼ 96	7/81	933	72⅞	74⅛	−8	−9.66
Bow Valley Inv. 8 95	4/81	23.12	88⅛	89⅛	−4⅞	37.29
Canon 5¾ 95	1/81	829	119⅜	121⅛	−38¼	−24.09
Daiwa Secs. 5⅜ 96	12/81	539	74⅛	76¼	−10½	−16.42
Fujitsu 4½ 96	10/81	677	81⅞	83⅛	—	—
Furukawa Elec. 5¾ 96	7/81	300	87⅞	88¼	−14½	−15.56
Hanson O/S Fin. 9½ 96	8/81	2.74	64	65	−9½	−9.53
Hitachi Cred. Cpn. 5 96	7/81	1968	66⅞	67⅛	−8	−5.84
Inchcape 8 95	2/81	4.65	53	54	−6	15.79
Kawasaki 6¾ 96	9/81	229	75⅜	77	−16⅝	−18.10
Marui 6 96	7/81	937	71⅞	73⅛	−9½	−9.37
Matsushita El. 7½ 95	11/80	590	70⅜	72	−9⅜	−11.89
Minolta Camera 5 96	10/81	909	69⅞	71¼	−9½	−10.93
Murata 5¼ 96	7/81	2180	69⅛	70⅜	−15	−18.58
NKK 6½ 96	7/81	188	86⅜	88	−16½	−1.58
Nippon Chemi-C. 5 91	10/81	919	66¾	68¼	−10⅞	−11.66
Ricoh 6⅛ 95	8/80	604	106⅛	107⅜	−21⅜	−17.41
Sanyo Electric 5 96	10/81	652	71⅜	73½	—	—
Sumitomo Metal 5¼ 96	10/81	305	75⅝	76⅞	—	−14.15
Swiss Bk. Cpn. 6¾ 90	9/80	200	69	71	+0½	27.53
Taylor Woodrow 8¾ 90	1/81	4.94	71	72	−5⅛	−5.92
Transco Int. 8¾ 95	2/81	68	71	72½	0	26.73
Tricorp 8½ 95	12/80	31.25	62¼	63¼	−4⅛	35.78
Union Bk. Switz. 5 89	2/80	70.79	70	72	0	5.56
Sharp Cpn. 6½ 88 DM	9/80	595	141½	143¼	−12⅜	−11.54
Uny Co. 6½ 85 DM	11/79	879.3	99½	101	−2⅛	4.16

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units, except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

COMPANY NOTICES

Gold Fields

Notice of annual general meeting

The Annual General Meeting of Consolidated Gold Fields Limited will be held at the Hotel Inter-Continental, *Grand Ballroom Entrance,* One Hamilton Place, London W1, on Tuesday, 27 October 1981 at 11.30 am, for the transaction of the following business:

1 To receive and consider the audited accounts for the year ended 30 June 1981, together with the report of the Directors, and to declare a final dividend.

2 To re-elect Directors.

3 To re-appoint the Auditors and to authorise the Directors to fix the Auditors' remuneration.

4 To consider and, if thought fit, to pass the following Resolution which will be proposed as a Special Resolution:

That, with effect from the date of issue of a Certificate of Incorporation on re-registration of the Company as a public company pursuant to the Companies Act 1980, the Memorandum of Association of the Company be altered by deleting the existing Clause 3 thereof and substituting therefor the Clause set out in the document marked 'A' produced to this Meeting and signed for identification by the Chairman.

5 To consider and, if thought fit, to pass the following Resolution which will be proposed as a Special Resolution:

That, with effect from the date of issue of a Certificate of Incorporation on re-registration of the Company as a public company pursuant to the Companies Act 1980, the Regulations contained in the document marked 'B', produced to this Meeting and signed for identification by the Chairman be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.

By Order of the Board P F G Roe *Secretary*
29 September 1981

Notes

Only members holding fully-paid Ordinary shares, or their duly appointed representatives, are entitled to attend and vote at the meeting. A member so entitled may appoint a proxy, who need not be a member, to attend and vote on his behalf.

Holders of share warrants to bearer who wish to be present or represented at the meeting may obtain the necessary information regarding the formalities to be complied with from the registered office of the Company.

The register of Directors' interests, together with copies of contracts of service between the Directors and the Company or any of its subsidiaries (or a memorandum of the terms thereof), other than contracts expiring or determinable within one year without payment of compensation, and copies of the existing Memorandum and Articles of Association and drafts of the proposed new objects clause and Articles of Association, will be available for inspection at the registered office of the Company during normal business hours until the date of the annual general meeting and on that day at the place of the meeting from 11.15 am until its conclusion.

Consolidated Gold Fields Limited
49 Moorgate, London EC2R 6BQ

HENRY DENNY & SONS LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books of the Preference Shares of this Company will be closed from 28th September 1981 to 2nd October 1981, both dates inclusive.

T. L. BALDWIN,
Secretary.

Battlebridge House,
Tooley Street,
London SE1 2RJ.

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WHITECHAPEL ART GALLERY, Whitechapel High St. 01-377 0107. To 1 Nov. *BRITISH SCULPTURE IN THE TWENTIETH CENTURY.* Part 1 1901-50. Sun.-Fri. 11-6. cl. Sat. Adm. £1 (50p). Free Mon. 2-6.

LEFEVRE GALLERY, 30, Bruton St., W1. 01-493 1572/3. 20th CENTURY WORKS ON VIEW. Mon.-Fri. 10-5. Sats. 10-1.

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The rate of interest applicable for the six months period beginning on September 28th 1981 and set by the reference agent is 17⅞% annually i.e. US$451.84 per bond of US$5.000.

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INTERNATIONAL COMPANIES and FINANCE

Fiat issues L200bn index-linked bonds

By James Buxton in Rome

FIAT, the motor group, yesterday became the first major Italian company to issue index-linked bonds on the Milan capital market.

It is to raise L200bn ($180m) through an issue of seven year bonds at par. The initial coupon will be 10 per cent with subsequent returns linked to a spread of 0.75 per cent above an indexed base.

The issue offers investors an initial annual yield of 21.2 per cent, which compares with the present inflation rate in Italy of 20 per cent. The bond is tax free.

The bond has been placed with banks which are offering it to the public. It appears to be appropriate for the current Italian financial market, which has been shaken by the fierce gyrations of the Milan stock exchange (which crashed in June and has been uncertain ever since) and the fact that the fixed interest market offers the saver little except Treasury bills.

● IFI, the holding company of the Agnelli family which controls Fiat, has announced more than trebled profits for the year ended June 1981.

But the profit figure for the holding company, which owns 30 per cent of Fiat, reflects the sale of its stake in the Rinascente stores chain. Profits rose from L8.8bn to L29.2bn ($24.7m) in 1980-81. The 1980-81 figure is arrived at after provisions and after taking in profits from the sale of Rinascente of L21.2bn.

IFI is 40 per cent owned by the Agnelli-Nasi families, and the company has announced the appointment of Sig Umberto Agnelli, brother of the Fiat chairman, Sig Giovanni Agnelli, as managing director.

IFI reports a dividend income of L23.7bn for the year, of which L6.8bn was regarded as extraordinary.

Italian sugar producer ahead

By Our Financial Staff

THE ITALIAN sugar group, Societa Italiana per Industria Zuccheri, has increased sales by almost half to L133.8bn ($113.5m) for the first half of 1981. In terms of volume, sales were a third higher at 160,000 metric tons.

The company says that borrowings at the end of June had been reduced by more than a fifth from their levels of December, 1980.

Robert Graham looks at a controversial Spanish acquisition

Rumasa takes on a retailing challenge

THE MERCURIAL figure of Sr Jose Maria Ruiz-Mateos, founder and chief shareholder of Spain's largest private holding company, Rumasa, has constantly surprised the Spanish business community, but no move has created such a stir as last week's takeover announcement of Galerias Preciados — a household name in Spain as a department store chain.

Not only has Sr Ruiz-Mateos diversified into a whole new area of trading, he has also taken on a troubled group that others had eschewed. No one seems quite sure whether he has pulled off a brilliant entrepreneurial coup or simply bitten off more than he can chew.

The Galerias deal is the biggest takeover between private groups in Spain. The deal is extremely complex, but, in essence, involves an exchange of Rumasa assets with Banco Urquijo, worth nearly Pta 135bn ($135m).

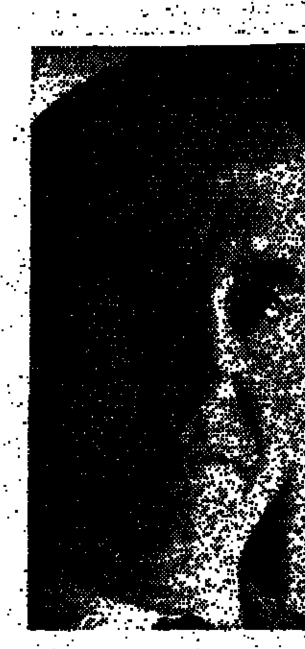
Until now, Urquijo has held 5 per cent of Galerias shares, but has also provided the lion's share of the department store chain's Pta 16bn worth of outstanding bank debt. Two-and-a-half years ago the bank was responsible for installing new management in an attempt to turn round Galerias from substantial losses.

Under the agreement reached last week, and subsequently endorsed by the Galerias board, Urquijo will relinquish its shares in Galerias, and buy property worth Pta 12.6bn from Rumasa. With this cash, Rumasa will raise Galerias' existing Pta 5bn capital to Pta 17.6bn and assume certain loan obligations. The capital increase could result in Rumasa owning around 80 per cent of Galerias.

Spanish institutions have a combined 17 per cent stake in Galerias and Urquijo is buying this on behalf of Rumasa for another Pta 600m—again to be paid for in Rumasa property assets.

The real estate being acquired by Urquijo is 70 per cent in finished property (apartments, offices, shops), and the remainder in construction work or in *land with building permission.* The property is concentrated in Madrid, Barcelona and Seville.

Urquijo accepts that it has obtained assets that are not quickly realisable. Nevertheless, it remains happy with the deal. Over the past three years, Galerias' losses have been mounting, suggesting that the day was not far off when debt would have to be exchanged for equity.


Sr Jose Maria Ruiz-Mateos

Urquijo has considerable experience in real estate development and management, its subsidiary, Vallehermoso, being one of Spain's largest property investment and development companies.

Urquijo had been looking for a buyer for its Galerias stake for almost a year, and talks had at one time been held with the rival and bigger department store group, El Corte Ingles. For Rumasa the attraction is diversification.

The Rumasa bank group, with some 1,000 branches, is now in a position to persuade Galerias' many suppliers to transfer their business to the group and to work out new credit terms with Galerias. Galerias itself, with a Pta 36bn annual turnover, is also an attractive customer.

Meanwhile, Rumasa's insurance companies, advertising agencies (Galerias has a huge advertising budget), and construction companies stand to benefit. The store chain also offers a distribution outlet for Rumasa wines, sherries and brandies and cosmetics, and provides scope for large-scale foodstuff distribution.

But Galerias is not an easy group to take on. Urquijo expects last year's Pta 2.9bn loss to be repeated this year, and turnover has not matched inflation. Sales are only marginally above the Pta 30bn value of its property assets, and, with floor space of 226,453 sq metres, its sales per sq metre are half those of its rival, El Corte Ingles. Despite recent reductions it still suffers from overstaffing.

The acquisition lifts Rumasa group employment to nearly 50,000. Last year, Sr Ruiz-Mateos said he was aiming to have 100,000 employees under Rumasa's Busy Bee emblem. Rumasa group assets totalled Pta 124bn at end-1979, the last year for which figures were available. At that date the group's property division, which does not contain all Rumasa real estate interest, was valued at Pta 5bn.

The impact of the deal on Rumasa is almost impossible to assess with any accuracy, since there are no detailed public accounts. But the size of the operation has raised some eyebrows.

The main concern in the business community has centred on whether Sr Ruiz-Mateos can branch into such a new venture when the Spanish economy continues to be hit by recession. Further, the Bank of Spain last year discretely asked Rumasa to reduce the level of inter-company investment. The banking division, on its own assessment last year, accounted for 60 per cent of Rumasa's assets.

Interim profit growth for Swedish energy group

BY WILLIAM DULLFORCE IN STOCKHOLM

SYDKRAFT, THE southern Swedish power company, reports a 24 per cent improvement in pre-tax income to SKr 387m ($68.4m) for the first seven months of this year and forecasts 1981 earnings of around SKr 550m, against the SKr 424m returned for 1980.

Sales advanced by 14.4 per cent to SKr 1.67bn in the seven months. Local authorities in south Sweden own roughly 60 per cent of Sydkraft, which in turn has substantial minority holdings in Sweden's nuclear power stations.

The earnings growth during the seven months resulted in part from a one-time sale of oil which brought in about SKr 40m. Other reasons were bigger electricity sales and a *more favourable production* pattern which permitted lower use of the oil-fired power stations.

In the SKr 550m profit forecast for 1981, allowance has been made for currency losses resulting from the recent devaluation of the krona. It will represent a return on total capital of roughly 12 per cent.

Sydkraft's capital spending this year is expected to amount to almost SKr 1bn, or nearly twice as much as in 1980. The company's 35 per cent share in the third nuclear power plant now under construction at Oskarshamn is estimated to call for spending of some SKr 400m *this year.*

● OK, the oil company owned by the Swedish consumer co-operatives, plans to invest SKr 1.2bn ($214m) in a new catalytic cracker at the Scanraff refinery near Goteborg, which it owns together with Texaco and Svenska Petroleum (SP), the state oil company.

Scanraff is Sweden's biggest refinery with an annual capacity of some 10m tonnes. The cracker will convert 1m tonnes of heavy oils to the lighter gasoline and change the refinery's product mix to conform with the expected decline in consumption of fuel and gas oils and the growing demand for petrol.

The cracker is scheduled to come on stream in 1985. OK will take responsibility for the entire investment.

Mr. Leif Lewin, OK's managing director, said a separate company would be established for the cracker with a capital of SKr 300m. About SKr 300m would be raised on the Swedish capital market, SKr 300m would be sought on the Eurodollar market and the remaining SKr 300m would, it was hoped, come from suppliers' credits.

ALLIED IRISH BANKS LIMITED

U.S.$30,000,000

Floating Rate Subordinated Notes due 1984

In accordance with terms and conditions of the Floating Rate Subordinated Notes due 1984, the Rate of Interest for the interest period from 30th September, 1981 to 30th March, 1982 has been fixed at 18 9/16 % per annum. The Coupon Amount of U.S.$93.33 will be payable on 30th March, 1982 against surrender of Coupon No. 10.

29th September, 1981.

Manufacturers Hanover Limited
Agent Bank

Receivership for Willot holding company

By David White in Paris

LEGAL PROCEEDINGS over Agache-Willot, the troubled French textile and retail concern have been taken an important step further. A commercial court in Lille has agreed to place the central holding company Société *Financière et* Foncière Agache-Wilot under receivership.

The decision comes three months after a similar order for the group's manufacturing subsidiary, Boussac-Saint Frères, made at the request of the Willot brothers, holders of the controlling interest.

The latest court application came from one of the group's creditors and from M Albert Chassagnon, who was appointed in June as temporary administrator, initially for the manufacturing side and later for the whole group.

The court yesterday decreed "judicial settlement" procedures for the group as a whole and appointed three receivers. Unlike the temporary administrator, whose job is to oversee the running of the group, the receiver's role is to draw up an agreement with creditors, if necessary as a preliminary to liquidation.

Swiss engineer to pass payout

By John Wicks in Zurich

MOTOR - COLUMBUS, the Swiss utilities and engineering group, proposes to pass the dividend for the third successive year. At its general meeting on October 22, the Baden-based company will present a balanced profit-and-loss account and ask for approval to omit a dividend for the year ended June 30. It last pai da dividend, of 4 per cent, in 1977-78.

In each of the two past years (1978-79 and 1979-80) the company showed a net loss of around SfFr 30,000.

City Investing sees delay in earnings recovery

BY TERRY BYLAND

CITY INVESTING, the insurance, housing and manufacturing group, has so far received $385m in respect of its planned $541m sale of assets, disclosed Mr G. T. Scharffenberger, chairman and chief executive officer in London yesterday. The figure takes in the $175m cash sale of the New York headquarters office of the Home Insurance subsidiary, which has just been completed.

On current trading, Mr Scharffenberger is "on target" for his earlier forecasts of a 10 per cent rise in operating income this year, and also for a virtually unchanged net earnings total.

In fiscal 1980, City Investing recorded a fall in pre-tax income from $245.5m to $171.1m.

However, Mr Scharffenberger, while maintaining his prediction that the group will double net income in its first year of recovery, is postponing his expectation of such recovery until mid-1982, and this new prediction depends heavily on the prospects of success for the policies of the Reagan Administration. He admitted that last week's public spending cutbacks by the Administration leaves some areas in doubt.

No further bid approach for the company has been received, pending the hearings on both further state commissions on insurance and housing holdings in respect of Tamco Enterprises, the private company controlled by Mr Lyman Hamilton, formerly chief executive of International Telephone and Telegraph.

BASE LENDING RATES

A.B.N. Bank	14 %	■ Guinness Mahon	14 %
Allied Irish Bank	14 %	■ Hambros Bank	14 %
American Express Bk.	14 %	Heritable & Gen. Trust	14 %
Amro Bank	14 %	■ Hill Samuel	§14 %
Henry Ansbacher	14 %	C. Hoare & Co.	†14 %
■ Arbuthnot Latham	14 %	Hongkong & Shanghai	14 %
Associates Cap. Corp.	14 %	Knowsley & Co. Ltd.	14½%
Banco de Bilbao	14 %	Langris Trust Ltd.	14 %
BCCI	14 %	Lloyds Bank	14 %
Bank of Cyprus	14 %	Mallinhall Limited	14 %
Bank of N.S.W.	14 %	Edward Manson & Co.	15 %
Banque Belge Ltd.	14 %	Midland Bank	14 %
Banque du Rhone et de la Tamise S.A.	14½%	■ Samuel Montagu	14 %
Barclays Bank	14 %	■ Morgan Grenfell	14 %
Beneficial Trust Ltd.	15 %	National Westminster	14 %
Bremar Holdings Ltd.	15 %	Norwich General Trust	14 %
Bristol & West Invests.	15 %	P. S. Refson & Co.	14 %
Brit. Bank of Mid. East	14 %	Slavenburg's Bank	14 %
■ Brown Shipley	14 %	E. S. Schwab	15 %
Canada Perm't Trust	14½%	Standard Chartered	‖14 %
Cayzer Ltd.	14 %	Trade Dev. Bank	14 %
Cedar Holdings	14 %	Trustee Savings Bank	14 %
■ Charterhouse Japhet	14 %	TCB Ltd.	14 %
Choulartons	14 %	United Bank of Kuwait	14 %
Citibank Savings	‡13 %	Whiteaway Laidlaw	14½%
Clydesdale Bank	14 %	Williams & Glyn's	14 %
C. E. Coates	14 %	*Wintrust Secs. Ltd.*	14 %
Consolidated Credits	14 %	Yorkshire Bank	14 %
Co-operative Bank	*14 %		
Corinthian Secs.	14 %		
The Cyprus Popular Bk.	14 %		
Duncan Lawrie	14 %		
Eagil Trust	14 %		
E. T. Trust Limited	14 %		
First Nat. Fin. Corp.	15 %		
First Nat. Secs. Ltd.	15 %		
Robert Fraser	14 %		
Antony Gibbs	14 %		
Grindlays Bank	‡14 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 11.5%. 1-month 11.75%. Short term £4,000/12 month 14.35%.

† 7-day deposits on sums of £10,000 and under 12½%, up to £50,000 12% and over £50,000 12½%.

‡ Call deposits £1,000 and over 11.5%.

§ Demand deposits 11½%.

‖ 21-day deposits over £1,000 12½%.

¶ Mortgage base rate.

Carrian shifts HK $1.3 bn of assets into quoted arm

BY KEVIN RAFFERTY IN HONG KONG

CARRIAN INVESTMENTS, the publicly quoted company of the rapidly growing Carrian group, has reported lower interim profits for the six months to June 30. The company also announced plans to acquire a wide range of interests from its holding company, Carrian Holdings, through a share issue worth HK$1.33bn (U.S.$219m).

Profits after tax and minority interests were HK$262.6m or HK$0.74 a share compared with HK$440.7m or HK$1.25 a share for the six months to September 30 1980. The periods differ because Carrian has changed its accounting year.

The company points out that a direct comparison with last year's results is misleading because of a major contribution last year from the sale of the Bank of America Tower (formerly Gammon House) which was bought for about HK$1bn and sold for HK$1.68bn a few months later.

Carrian Investments is to pay an interim dividend of 16 cents a share and plans a one-for-five scrip issue. Last year's interim dividend was an adjusted 6.6 cents a share, boosted by a special dividend of 9.9 cents a share.

The company is to enter into conditional agreements to acquire from Carrian Holdings interests in commercial, residential and indusmtrial properties and in quoted shares in Hong Kong. The properties include an 85 per cent interest in Kwong Sang Hong Building, which is to be renamed Carrian Centre and will be the company's headquarters when it is ready for occupation early next year. Carrian Investments already has the remaining 15 per cent interest in the building.

Share interests to be bought from the holding company include a 45 per cent interest in Melowise (a company which together with a wholly-owned subsidiary owns 71 per cent of General Bottling Company); 48.8 per cent of China Underwriters Life and General Assurance Company; 27.7 per cent of Union Bank of Hong Kong; and 20.7 per cent of Sun King Fung Development.

The prices at which the assets are to be acquired will be the cost, including carrying cost, to the vendors. About 143m new shares will be issued at a HK$9.30 a share to be adjusted for the scrip issue. This compares with Carrian Investments closing price last night of HK$8.30.

The company is confident that full year profits will be higher pro-rata than the HK$600m of the previous nine months. The final dividend will be not less than 26 cents per share on the increased share capital. The company says: "a number of significant transactions are due to be completed during the second half of this year."

Property interests boost Stelux

BY OUR HONG KONG CORRESPONDENT

STELUX MANUFACTURING Company benefited from greater concentration on property rather than its traditional manufacturing base in its latest year, with net profits at HK$ 100.26m (U.S.$16.5m) in the period to March 31 compared with HK$5.76m.

After extraordinary charges of HK$2.85m the reduced attributable profit was HK$97.41m against last year's HK$437.26m.

The 1979-80 figure included an extraordinary profit of HK$431.51m, mainly from the sale of a property owning subsidiary and a banking investment.

The extraordinary charges this year mainly resulted from provisions and losses from the closure of a manufacturing subsidiary and an associate company.

A final dividend of 25 cents has been recommended for an unchanged total of 40 cents per share. There will be a one-for-five scrip issue and the company expects to maintain the dividend in the current year on the increased capital.

The company believes its potential strength in the reorganised watch production and marketing operations, its property portfolio and its liquid assets will ensure a solid base for development in the coming few years.

Hume FE holders accept Hong Leong

By Georgie Lee in Singapore

HONG LEONG Holdings has received acceptances representing 44.2m shares for its takeover offer for Hume Industries (Far East), equivalent to about 76.2 per cent of the issued capital.

Hong Leong offered S$6.10 (U.S.$2.88) per share to Hume Far East shareholders following its agreement with Hume Limited of Australia to acquire its holding of 36m Hume Far East shares.

Hong Leong has now given notice that its offer will close at 3.30 pm on October 10, 1981. All acceptances, it said, are irrevocable.

Scrip and rights issues planned by Public Bank

BY WONG SULONG IN KUALA LUMPUR

PUBLIC BANK, the fast growing publicly listed Malaysian bank, is to more than double its capital to 70m ringgit (U.S.$30m) through scrip and rights issues to comply with the new Central Bank regulations on capital deposit ratios.

Public Bank proposes to capitalise on 10m ringgit from reserves to make a two-for-five scrip issue. This will be followed by a one-for-one rights issue of 35m shares of 1 ringgit each at 2 ringgit per share.

The rights issue will bring in 70m ringgit, and the bank's paid-up capital after the exercise will be increased to 70m shares of 1 ringgit each. The authorised capital will be lifted from 50m ringgit to 300m ringgit.

Bank Necara, the Malaysian central bank, ruled last month that local banks have until the end of the year to maintain a 1-to-25 capital deposit ratio, while foreign banks have to keep a 1-to-16.6 ratio.

At end-June, the Public Bank group had shareholders' funds of 50m ringgit and deposits exceeding 2bn ringgit, giving it a 1-to-40 ratio.

Public bank made after tax profits of 10.3m ringgit in the six months to June, almost equal to the profit for all 1980.

Dunlop Olympic sales top A$1bn

By Our Financial Staff

SALES OF Dunlop Olympic, the tyre, cables and industrial products group rose by 53.3 per cent in the year to June 30, to pass the A$1bn mark, at A$1.11bn (U.S.$1.3bn) against A$724.22m in 1979-80. Net profits were up still more sharply, by 83.9 per cent to A$39.42m (U.S.$45.2m), from A$21.44m before an extraordinary loss of A$4.65m against a profit of A$551,000.

The group, in which Dunlop of the UK holds a stake of 8.4 per cent, was formed late last year by Dunlop Australia's winning an A$90m takeover bid for Olympic Consolidated Industries.

The results thus represent the first full year's trading for the group, with the results struck in comparison with the combined figures the previous year of the two.

The gains, Dunlop Olympic said, represented buoyant trading conditions since the merger, and in the current financial year, the bringing together of the two operations would continue to offer benefits. The 1980-81 improvement in results had been widely spread across the group's range of activities.

An unchanged final dividend of 4 cents a share has been declared, making 8 cents for the year, against 7.5 cents. A new issue shares payout of 2 cents is also being made.

Advance for Carpenter holdings

By Our Sydney Correspondent

W. R. CARPENTER HOLDINGS, the Australian trading and investment group, overcame industrial disputes and a further slide in its Papua New Guinea operations to boost earnings by 17 per cent in the year to June 30.

Earnings climbed from A$13.17m (US$15.13m) to a record A$15.42m, which is equal to 35.4 cents a share compared with 30.2 cents. The annual dividend has been increased to 15 cents from 14 cents.

A lower tax level has also helped earnings. It was down from A$6m to A$3.3m as a result of available tax losses in Australia and the U.S. Turnover rose by no more than 4.2 per cent to A$415.9m. Interest costs rose to A$10m from A$9.8m, and depreciation was up to A$8.6m from A$8.2m.

This announcement appears as a matter of record only September, 1981

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(Minolta Camera Kabushiki Kaisha)

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(Nippon Chemi-Con Kabushiki Kaisha)
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WORLD STOCK MARKETS

Dow recoups opening fall

AFTER A fresh sharp fall at the outset yesterday, Wall Street staged a partial recovery on bargain hunting in heavy early dealings.

The Dow Jones Industrial Average dropped more than 14 points more in the first hour of trading, but subsequently rallied to 823.54 at 1pm, only 0.47 below Friday's closing level. The *NYSE All Common Index was a* net 21 cents down at $64.75, after touching $63.75, although declines still led gains by about a four-to-one margin. Turnover came to 40.32m shares at 1pm.

Analysts generally attributed the turnround to technical considerations.

Monte Gordon, of Dreyfus *Corporation, said the underlying* factors determining the direction of the market are still overwhelmingly negative. These factors include concern that interest rates will start moving up again, and doubts that *President Reagan* will be able to get any further Budget cuts through Congress to hold down the fiscal 1982 Budget deficit.

Cooper Laboratories fell 6¼ to $25¾. It ended merger talks with Avon Products last week.

Grumman was off ⅞ to $32¼ after rejecting a takeover bid by *LTV*.

Mining stocks were down following a decline in the price of gold. Newmont dropped 1⅞ to $50⅛, Homestake $2 to $45⅞ and Campbell Red Lake ⅞ to *$15⅛*.

THE AMERICAN SE Market Value Index, off 7.74 at the outset, had trimmed its loss to 1.58 at *275.18 by 1 pm. Volume 6.86m* shares.

Resorts International "A" was off ⅞ at $13⅞ after the company reported that it expects a loss for the nine months.

Canada

Markets in Canada also picked up from an initial fall on meeting bargain hunting. The Toronto Composite Index, after *losing more than 50 points*, was a net 27.2 down at 1,785.3 at noon. Golds lost 152.1 at 3,210.8.

Closing prices for North America were not available for this edition.

Tokyo

The market suffered its sharpest setback for nearly a decade yesterday as it contended with a rush of stop-loss selling by *small investors in margin trading*. The production of a further sharp decline in the world's major stock exchanges by U.S. investment adviser Joseph Granville was said to be the greatest undermining influence.

The Nikkei-Dow Jones Average dropped 302.84 to 7,037.12, a single day's fall not exceeded since February 1973, when Japanese industry faced enormous increases in the price of oil. The Tokyo SE index weakened 20.27 to 528.27, while falls outpaced rises on the First Market by 345 to 196. However, trading volume was only moderate, equalling last Friday's 320m shares.

Providing some hope for investors, dealers forecast that the market would bottom out soon because they consider Japanese companies worth investing in as their export sales are growing and the Japanese inflation rate is lower than in many other industrial countries.

Among leading issues, Sony dipped Y470 to Y3,210, MHI Y27 to Y258, Toshiba Y45 to Y352, Mitsubishi Y29 to Y550, Hitachi Y50 to Y648, Canon Y190 to Y1,120, Toyota Motor Y140 to Y1,000, and Takeda Chemical Y71 to Y795.

Hong Kong

A frail stability achieved on Hong Kong stock markets late last week came undone yesterday as a flood of selling orders hit the Exchanges and sent prices plummeting.

Dealers noted relentless selling in what one called a "totally demoralised market" following the sustained weakness on Wall Street last Friday.

The Hang Seng index suffered *its severest one-day fall since* April, 1973, ending 105.75 weaker at 1,245.26, its lowest level since December 12 last year. The index is now over 30 per cent below its all-time high of 1,810.20 recorded on July 17.

The bearish U.S. market outlook, fuelled by lack of confidence in President Reagan's latest *Budget measures* and gloomy forecasts from U.S. investment adviser Joe Granville, remains the dominant influence on the local market.

Many dealers expect the Hang Seng index to break through the 1,200 level before any large bargain hunting emerges.

Germany

Share prices retreated sharply in low volume trading, leaving the Commerzbank index 13.3 down at 669.1.

Bourse sources said there was practically no buying interest to brake the slide, which they attributed to the general loss of investor confidence in the world's equity markets.

Market participants were *anxiously* awaiting how U.S. stock prices would react at the opening of U.S. trade yesterday after noted U.S. economist Joseph Granville predicted that Wall Street would suffer a sharp fall in share prices on Monday.

The D-mark's weakness against the U.S. dollar in foreign exchange trading and declining West German Bond also depressed sentiment.

Australia

Resources issues led markets sharply and broadly lower yesterday on selling, said to be near panic levels at times, triggered by Wall Street's continued drop last Friday.

Local traders fear that if *interest rates rise sharply* in the U.S., as predicted by U.S. investment analyst Joseph Granville, Australia will be forced to raise its rates. Meanwhile, share portfolios are being liquidated in preparation.

The Australian All Ordinaries index lost 20.7 to 563.5, Metals and Minerals 23.7 to 463.0 and Oil and *Gas 44.0 to 549.4*.

Market leader BHP fell 85 cents to A$10.10.

CSR *slid* 13 cents to A$4.12 after announcing that it has reached agreement with six *international* banks for a US$600m line of credit to finance its takeover of Delhi Oil.

Among Minings, CRA shed 25 cents to A$3.20, MIM 25 cents to A$3.65, Western Mining 32 cents to A$4.55, Central Norseman Gold 60 cents to A$7.80 and Oakbridge 18 cents to A$1.30.

In the Oil and Gas sector, Santos receded 35 cents to A$4.15 and Woodside 7 cents to A$1.22.

Paris

French and foreign stocks slumped across the board in fairly active trading, although some buying in the last few minutes of the session helped repair a little of the damage.

Traders said the depressed state of stock exchanges abroad had rubbed off on the Paris Bourse. The publication of figures calculated by the Paris Stock Exchange Commission estimating the amount of compensation due to stockholders of nationalisable companies was said to have been ignored by French investors.

Johannesburg

The marked depression on world markets in general undermined sentiment on the Johannesburg stock exchange yesterday, which met heavy selling pressure.

Gold shares led the decline following the sharp fall in the Bullion price. Heavyweights shedding up to 500 cents, as in *President Brand*, at *R52.50*. *Mining Financials* had Anglos down 135 cents at R16.25. Diamond leader De Beers lost 53 cents at R8.30.

NEW YORK

Stock	Sept. 25	Sept. 24
ACF Industries	34½	36
AMF	22	23⅜
AM Intl	6⅞	7⅜
ARA	27	28
ASA	49¾	50¾
AVX Corp	12½	12½
Abbott Labs	24¼	24⅝
Acme Cleve	19½	20
Adobe Oil & Gas	27¾	28¾
Advanced Micro	14¾	15½
Aetna Life & Cas	38⅜	39
Ahmanson (H.F.)	16⅛	16⅛
Air Prod & Chem	34¾	35⅝
Akzona	9⅞	10⅜
Albany Int	24	25
Alberto-Culv	10½	10⅞
Albertson's	23⅜	23⅜
AlcanAluminium	23⅞	24⅛
Alco Standard	17⅞	17⅞
Alegheny Intl	33¾	35½
Alexander & Al	27¾	27¾
Allied Corp	40	40⅞
Allied Stores	25	25¼
Allis-Chalmers	15¾	16
Alpha Portd	9	9
Alcoa	26⅛	26
Amal. Sugar	42	42⅝
Amax	39	40¼
Amerada Hess	23⅝	24⅜
Am. Airlines	12⅛	12⅝
Am. Brands	34½	34⅝
Am. Broadcast'g	29⅝	30
Am. Can	29¾	31⅛
Am. Cyanamid	25¼	25⅜
Am. Elect.Powr	16	16
Am. Express	38⅞	40
Am. Gen. Insnce	39	39
Am. Hoist & Dk	14¾	15⅝
Am. Home Prod	30⅛	31⅛
Am. Hosp. Suppy	31⅞	32¾
Am. Medical Intl	33⅝	36
Am. Motors	3⅛	3¼
Am. Nat. Rescs	35¼	36⅜
Am. Petfina	55	55
Am. Quasar Pet	14⅜	15⅞
Am. Standard	28	30½
Am. Stores	22¼	23
Am Tel. & Tel	56⅞	57⅛
Ametek Inc	26¾	26⅝
Amfac	20¼	20½
AMP	45⅝	46½
Amstar	19⅝	21¼
Amstead Inds	35½	36
Anchor Hockg	15½	15½
Anheuser-Bh	35⅞	35⅛
Arcata	28¾	30
Archer Daniels	14½	15
Armco	26⅛	26⅝
Armstrong CK	14⅛	15
Asamera Oil	8½	9⅝
Asarco	29¼	30¼
Ashland Oil	28⅛	28⅛
Assd D Goods	24¾	25⅛
Atlantic Rich	39	40½
Auto-Data Prg	24⅝	25⅛
Avco	17½	19½
Avery Intl	20½	21½
Avnet	42½	43½
Avon Prods	33⅛	33⅝
Baker Intl	35	34⅛
Balt. Gas & El	22	22¼
Bancal Trist	29¼	30
Bangor Punta	17⅛	18⅞
Bank America	23⅝	23⅝
Bank of N.Y.	33	33½
Bankers Tst. N.Y.	29½	30
Barry Wright	15½	14⅞
Bausch & Lomb	43⅛	44¾
Baxt Trav Lab	50¾	51¾
Beatrice Foods	18½	19
Beckman Instr	24⅛	26⅝
Beker Inds	8⅛	8⅝
Bell & Howell	17¾	17¼
Bell Industries	11⅝	13⅛
Bendix	54	54¾
Beneficial	20	20¼
Beth Steel	21⅛	21¾
Big Thee Inds	26⅜	26⅜
Black & Decker	15	15
Block HR	29⅝	30¼
Blue Bell	25⅛	25⅝
Boeing	23⅛	23⅞
Boise Cascade	30⅝	30⅝
Borden	27⅝	28⅛
Borg Warner	43⅝	44½
Braniff Intl	3⅛	3½
Briggs Stratn	22⅞	22⅞
Bristol-Myers	47	47½
BP	18¼	19
Brockway Glass	13¾	14⅞
Brown Forman B	27½	27½
Brown Grp	28	28⅛
Brown & Sharp	17¼	18¾
Browng-Ferris	25	26¾
Brunswick	16⅛	16
Bucyrus-Erie	18⅛	18½
Burlington Ind	25¼	24½
Burlington Nrthn	38⅜	39¾
Burndy	16¾	17½
Burroughs	30¼	31⅝
CBI Inds	42¾	43¼
CBS	49⅞	49½
CPC Intl	28⅜	28⅞
CSX	43	45
Campbell Red L	16⅛	16½
Campbell Soup	26⅞	26½
Campbell Tagg	29⅞	30⅝
Canal Randolph	27½	27¾
Can. Pacific	34⅞	36¼
Carlisle Corp	26⅛	27¾
Carnation	25⅞	26¼
Carp Tech	43⅝	44¼
Carter Hawley	14⅝	15
Caterpillar	54⅛	54¾
Celanese Corp	52¾	53¾
Centex	23	24
Central & Sw	13⅛	13½
Central Soya	10⅛	10½
Central Tel Util	30	29¾
Certain-teed	11⅝	11⅝
Cessna Aircraft	21⅞	22⅝
Champ Home Bld	2¼	2⅜
Champ Int	19⅛	20¼
Champ Sp Plug	8⅛	8⅝
Charter Co	7	7½
Chase Manhatt'n	51¼	52⅝
Chemical NY	49⅞	49⅞
Cheese Pond	32	32⅝
Chicago Pneum	19½	19½
Chrysler	4⅝	4¾
Chubb	41⅞	42¼
Cincinnati Mil	25⅜	25⅞
Citicorp	24¼	25
Cities Service	41½	43
City Investg	21¾	22
Clark Equipment	30⅛	30½
Cleve Cliffs Iron	32½	33
Clorox	10⅝	10⅞
Cluett Peaby	10¾	11¼
Coca Cola	31⅝	32
Colgate Palm	14⅞	15¾
Collins Aikman	9⅝	10⅛
Colt Inds	83¼	84
Columbia Gas	28⅞	28⅞
Columbia Pict	33	33½
Combined Int	19⅛	19¾
Combustn. Eng	33¾	35
Cmwlth.Edison	19⅜	19½
Comm.Satellite	44	45
Comp. Science	14½	15½
Cone Mills	28½	28⅞
Conn Gen. Inn	46½	47
Conoco	64¼	66⅜
Conrac	22⅜	22¼
Cons Edison	27¾	28
Cons Foods	28	28½
Cons Freight	34¼	35⅞
Cons Nat Gas	44⅞	45
ConsumerPower	16¾	17⅛
Cont. Air Lines	7⅝	7¾
Conti Corp	23⅝	25⅝
Conti Group	30⅞	31⅝
Cont. Illinois	35⅛	35⅜
Conti Telep	16⅜	16⅛
Control Data	62½	65
Cooper Inds	43⅝	44¾
Coors Adolph	10¾	11
Copperweld	33¼	35¼
Corning Glass	51⅛	53¼
Corroon Black	18	18½
Cox Broadcast'g	60	60⅜
Crane	33¼	33¾
Crocker Nat	39⅜	40¼
Crown Cork	26⅝	27½
Crown Zell	28⅛	30¼
Cummins Eng	57⅞	58
Curtiss-Wright	44½	45⅛
Damon	6⅜	6
Dana	24⅞	24⅞
Dart & Kraft	46⅝	47¾
Data Gen	45½	44¾
Dayton-Hudson	53¾	54
Deere	35⅛	36⅜
Delta Air	54¾	55⅝
Denny's	22⅜	24¼
Dentsply Intl	11¾	12
Detroit Edison	11	11⅛
Diamond Intl	26¾	26¾
Diamond Shamk	24¾	25¼
DiGiorgio	9⅜	9⅞
Digital Equip	85¼	87
Dillingham	12⅜	12⅜
Dillon	22⅜	22½
Disney (Walt)	44¼	45⅝
Dome Mines	18⅝	19⅞
Donnelly (RR)	35⅛	34⅞
Dover Corp	51¼	52¾
Dow Chemical	24½	25
Dow Jones	40¾	41½
Dresser	32½	33⅜
Dr. Pepper	11	11⅝
Duke Power	19⅝	19⅞
Dun & Brad	54¾	55⅛
Du Pont	37⅜	38¼
E G & G	34	34⅝
Easco	19¼	20
Eastern Airlines	6½	6⅝
Eastern Gas & F.	18⅜	18¾
Eastman Kodak	63⅛	65¾
Eaton	28⅝	29½
Echlin Mfg	10¾	10⅝
Eckherd Jack	23⅝	24¼
Electronic Data	22	22⅝
Elect. Memories	2¾	3¼
El Paso	21⅜	23
Emerson Elect	40	40
Emery Air Fgt	12⅛	13⅝
Emhart	26⅜	26¼
Engelhard Corp	17⅜	17⅞
Enserch	23⅝	25¼
Envirotech	10⅜	10¾
Esmark	44¾	45
Ethyl	22	22⅝
Evans Prods	20⅛	22
Ex Cell O	23	25⅛
Exxon	29⅞	30⅝
FMC	25⅞	26
Faberge	15¼	17¼
Fedders	3⅝	3¾
Federal Co	17⅜	18½
Federal-Mogul	19½	20
Fed. Nat. Mort	7¾	8⅛
Fed. Paper Brd	25¼	25⅜
Fed. Resourses	2	2¼
Fed. Dep. Stores	36	35¾
Fieldcrest Mi	21½	22
Firestone	9¾	10¼
1st Bank System	35¼	35¾
1st Charter Fin	12⅛	12¾
1st Chicago	17	17⅝
1st City BankTex	30¼	31½
1st Inl Banc	26⅝	27⅜
1st Interstate	37⅜	38⅛
1st Mississippi	14¾	15½
1st Nat. Boston	40⅛	40⅝
1st Penn	3	3½
Fisons	2⅛	2¼
Fleetwood Ent	10	10¼
Flexi-Van	18⅝	19½
Florida Pwr & L	27	27⅜
Ford Motor	19¼	19½
Foremost Mck	32¾	33½
Foster Wheeler	12¼	13½
Foxboro	42	43½
Freeport McM	22⅝	24⅞
Fruehauf	22⅞	24
GAF	12½	12⅝
GATX	32	33⅛
Gannet	35¼	35¾
Geico	17¾	18¼
Gen Am Invest	17¾	18⅛
Gen Cinema	30¾	30⅝
Gen Dynamics	21⅝	22
Gen Electric	52	52⅜
Gen Foods	28⅛	28¼
Gen Instrument	31	32½
Gen Mills	35⅛	36
Gen Motors	43	43⅝
Gen Portland	28	30⅝
Gen Pub Utilities	4⅜	4¾
Gen Signal	34	35¼
Gen Telep Elec	30⅛	30⅜
Gen Tire	23¾	24⅜
Genesco	5⅞	6⅛
Genuine Parts	29¼	30¼
Georgia Pac	18⅜	18⅞
Geosource	41⅜	41½
Gerber Prod	30⅛	30¾
Getty Oil	57¼	58⅝
Giddings Lewis	16⅝	17⅛
Gillette	27¼	27¾
Global Marine	16⅝	17½
Goodrich (BF)	19½	20⅝
Goodyear Tire	17¾	17⅝
Gould	22¾	22¾
Grace	39⅝	42
Grainger (WW)	37	37¼
Gt. Atl. Pac. Tea	3⅞	4
Gt. Basins Pet	11¾	11½
Gt.Nthu.Nekoosa	34	35¼
Gt West Financl	13⅞	14½
Greyhound	13⅞	14
Grumman	33⅛	34⅛
Gulf & Western	14¾	16¼
Gulf Oil	31¾	32¼
Hall(FB)	25	25⅝
Halliburton	45	48¼
HammermillPpr	24⅞	25½
Handleman	12	12¾
Hanna Mining	33½	34¼
Harcourt Brace	14¾	15¼
Harnischfeger	11	11⅞
Harris Bancp	24	24½
Harris Corp	38¾	40½
Harsco	17¾	18⅜
Hecla Mining	12¼	12¾
Heinz (HJ)	53	53
Heller Intl	18	19⅛
Hercules	19⅞	19⅝
Hershey	32¾	33½
Heublein	27⅛	28
Hewlett Pkd	39⅜	40⅜
Hilton Hotels	35¾	36¾
Hitachi	60½	60⅝
Holiday Inns	22⅛	22⅞
Holly Sugar	30⅛	31⅝
Homestake	47¾	50⅛
Honeywell	79¼	79
Hoover	9¾	9⅞
Hoover Univ	16½	17⅜
Hormel Geo	15¼	15⅜
Hospital Corp	33⅞	34⅜
Household Intl	15¼	15¾
Houston Inds	19	19⅞
Houston net Gas	38⅞	39⅛
HudsonBayMng	19⅜	19⅞
Hughes Tool	30⅝	31½
Humana	31¾	32¾
Husky (Oil)	8¾	9⅞
Hutton (EF)	34	34⅞
IC Inds	29⅛	29¾
INA Corp	39¼	40⅛
IU Int	11⅝	12⅛
Ideal Basic Ind	18¾	21⅛
Ideal Toy	4⅝	4⅞
ICI ADR	4¾	4⅞
Imp. Corp. Amer	17⅜	18
INCO	14¾	15
Ingersol Rand	58⅝	58½
Inland Steel	25⅛	26⅛
Intel	22¾	23¾
Interlake	33⅛	33½
InterNorth	28¾	29⅛
IBM	53½	54⅝
Intl. Flavours	19⅝	20⅛
Intl. Harvester	10	8⅝
Int. Income Prop.	7½	7¾
Int. Paper	38⅝	39¾
Int. Rectifier	10⅜	11
Int. Tel & Tel	26¾	26¾
Irving Bank	48⅞	48¾
James (FS)	22¾	23¼
Jeffn-Pilot	23⅛	23⅜
Jewel Cos	33⅝	33⅞
Jim Walter	17⅜	17½
Johns Manville	15	15⅝
Johnson Contr	23⅛	23¼
Johnson & Jns	31⅜	30⅞
Johnthan Logan	8¼	8⅝
Joy Mnf	32	33¼
K. Mart	17⅛	16⅞
Kaiser Alum	17¾	17⅞
Kaiser Steel	39¼	42⅜
Kaneb Services	19¼	20⅝
Kaufman Brd	10	10¼
Kay Corp	13	13⅜
Kellogg	17¾	18
Kennametal	26⅝	27
Kerr-McGee	65	67½
Kidde	36¾	38¼
Kimberley-Clark	57¾	59
King's Dept. St	4⅞	5
Knight Rdr. Nws	31	30⅝
Koppers	17⅞	18¼
Kroehler	7⅝	7⅝
Kroger	19⅛	19¾
L.T.V.	14	14⅞
Lanier Bus. Prod	15⅝	16
Lear-Siegler	30⅛	31¼
Leaseway Trans	28⅞	29
Lenox	31¾	33
Levi Strauss	31⅞	33
Levitz Furntr	35¾	38⅝
Libby Owens Fd	26⅝	27
Lilly (Eli)	46¾	47⅝
Lincoln Nat	36¼	35⅞
Litton Inds	50	51⅞
Lockheed	29⅝	30⅞
Loews	79⅝	80⅞
Lone Star Inds	23	23⅝
Longs Drug Strs	26⅞	27⅜
Louisiana Land	26⅝	27¾
Louisiana Pac	18	18¼
Lowenstein	24⅛	25¾
Lubrizol	21⅛	21
Lucky Strs	12⅜	12½
M/A Com. Inc	23	22¾
MCA	39¼	41
MacMillan	12¾	12¾
Macy	52⅝	54
Mfrs Hanover	34	33¾
Mapco	26⅝	28¾
Marathon Oil	50¾	53
Marine Mid	17⅞	19
Marriott	32½	33⅜
Marsh McLenn	34¼	34½
Marshall Field	13⅝	13⅞
Martin Mtta	44	44
Maryland Cup	33	34
Masco	35	35⅝
Massey-Fergn	2¼	2¼
Mass Multi Corp	16⅛	16
Mattel	6⅝	6¾
May Dept Strs	23⅝	23½
Maytag	24½	24¾
McCulloch	13¼	14
McDermott(JR)	28¾	31
McDonald's	58⅛	58⅞
McDonnell Doug	24	26
McGraw Edison	35⅝	36⅛
McGraw-Hill	44⅝	45½
McLean Trukg	7¾	8¼
Mead	22⅝	23
Media Genl	33	33⅜
Medtronic	33½	34
Mellon Natl	33½	33¼
Melville	40	43
Memorex	10¼	11
Mercantile Sts	46⅜	47⅛
Merck	82⅜	83¾
Meredith	54⅛	55¼
Merrill Lynch	30¼	32
MGM	6⅛	6¾
Metromedia	124½	127½
Milton Bradley	19⅞	20¼
Minnesota MM	49¾	49
Missouri Pac	69	69¼
Mobil	24⅞	25⅜
Modern Merchg	8¼	8⅞
Mohasco	10⅛	10⅜
Monarch M/T	17¾	18⅜
Monsanto	62¾	63⅜
Moore McCmrk	27⅝	28½
Morgan (JP)	55½	56¾
Motorola	61¼	62⅜
Munsingwear	15	15
Murphy (GC)	15⅛	15⅝
Murphy Oil	28	27¾
Nabisco Brands	25⅛	26
Nalco Chem	42¼	44⅛
Napco Industries	18	18
Nat. Can	20⅜	20¾
Nat. Detroit	23¾	23¾
Nat. Dist. Chem	22⅞	23¼
Nat. Gypsum	20⅝	21⅝
Nat. Medical Ent	16⅝	16⅞
Nat. Semiconductr	18⅛	18⅜
Nat. Service Ind	23¾	23⅞
Nat. Standard	14¼	14½
Nat. Steel	23½	24⅛
Natomas	20⅞	22
NCNB	13⅜	13⅛
NCR	46½	46⅞
New England El	22⅜	22
NY State E & G	14¼	14⅜
NY Times	27⅝	28
Newmont Mining	51⅛	55
Niag. Mohawk	11⅛	11⅜
NICOR Inc	31⅛	32
Nielsen (AC) A	36½	37⅛
NL Industries	34½	34⅝
NLT	21⅜	22⅞
Norfolk & Westn	41¾	41⅝
Nth. Am. Coal	28¾	30¼
Nth. Am./ Phillps	37¾	38⅜
Nthn. State Pwr	23⅜	23⅝
Northgate Exp	5⅛	6
Northrop	34½	35½
Nwest Airlines	26⅜	26⅜
Nwest Bancorp	25	25
Nwest Inds	47½	49⅝
Nwestn Mutual	9¼	9½
Nwestd Steel W	25⅜	24¾
Norton	39⅜	40¾
Norton Simon	14¾	14⅜
Occidental Pet	23⅛	24⅜
Ocean Drill Exp	24	25⅝
Ogden	26¾	27¼
Ogilvy & Mrth	27¾	27½
Ohio Edison	11⅛	11⅜
Olin	20¾	22
Omark	17	17⅝
Oneok	28¾	28¾
Outboard Marine	13⅛	13¾
Overseas Ship	16¼	17¼
Owens-Corning	24¼	25½
Owens-Illinois	27⅝	28
PHH Group	18⅛	18⅞
PPG Inds	39⅛	41½
Pabst Brewing	11⅞	12½
Pac. Gas & Elect	22⅛	22½
Pac. Lighting	27⅜	27½
Pac. Lumber	23¼	25¾
Pac.Tel & Tel	15⅞	16
Palm Beach	24⅞	26¾
Pan Am Air	2⅞	2⅞
Pan. Hand Pipe	31½	32¾
Parker Drilling	17	18
Parker Hanfn	18¼	19⅝
Peabody Intl	5½	5⅝
Penn Central	34	33⅜
Penney (JC)	29⅝	30⅜
Pennzoil	36½	37¾
Peoples Gas	38¼	40
Pepsico	31⅛	31¾
Perkin Elmer	22	22⅞
Petrie Stores	28	28⅝
Petrolane	14⅝	15⅜
Pfizer	40⅞	41⅛
Phelps Dodge	32¾	34⅛
Phila. Elect.	12⅝	12¾
Phibro	24	25¾
Philip Morris	45½	45⅛
Phillips Pet	36¼	36⅝
Pillsbury	36⅜	36⅞
Pioneer Corp	24½	25¼
Pitney-Bowes	24½	24½
Pittston	21⅛	23⅛
Planning Res'ch	5	5⅛
Plessey	53	57¼
Polaroid	22	22¾
Potlatch	29⅝	30⅜
Prentice-Hall	21¾	22⅛
Procter Gamble	69⅛	70½
Pub. Serv. E & G	17⅛	17⅜
Pub. S. Indiana	20	20⅛
Purex	18	18⅞
Purolator	61¾	61¼
Quaker Oats	32¼	32¼
Quanex	20⅝	21⅛
Questor	7⅞	8¼
RCA	17⅞	18½
Ralson Purina	10⅝	10⅛
Ramada Inns	5⅝	6
Rank Org. ADR	2⅜	2⅜
Raytheon	35⅜	38⅛
Reading Bates	25¼	28⅜
Redman Inds	9¾	9⅞
Reeves Bros	41½	41¾
Reichhold Chem	13⅛	13⅝
Reliance Group	85½	86¼
Republic Steel	24⅛	24⅞
Rep of Texas	40⅜	40¾
Resch Cottrell	10¾	11½
Resort Intl A	13¾	14⅝
Revco (DS)	21⅞	22¼
Revere Copper	15	16¼
Revlon	33½	33½
Rexnord	14¾	14⅞
Reynolds (RJ)	46⅝	46⅝
Reynolds Mtls	27⅜	27½
Rite Aid	26	26
Roadway Exps	40¾	41¾
Robins (AH)	9	9½
Rochester Gas	13¼	13¼
Rockwell Intl	25⅛	26½
Rohm & Haas	53	54¾
Rollins	14⅞	15⅜
Rolm	26½	27⅜
Roper Corp	13	13¼
Rowan	13⅝	14½
Royal Crown	12¾	12⅞
Royal Dutch	28	28⅞
Rubbermaid	31¼	31¼
Russel Styr	19½	19½
Ryan Homes	16¼	16⅞
Ryder System	32⅜	34¼
SFN Companies	19¼	18¾
SPS Technol'gies	23	25
Sabine Corp	36⅝	39½
Safeco	34⅞	35⅜
Safeway Stores	25⅝	26⅛
St. Paul Cos	45½	46⅛
St. Regis Paper	30⅛	30¾
Sante Fe Inds	20¼	20⅞
Sante Fe Intl	21⅛	22⅛
Saul Invest	6	6⅝
Saxon Inds	4⅛	4¼
Schering Plough	28⅜	29⅛
Schlitz Brew J	13⅞	13⅞
Schlumberger	50½	52
SCM	22¾	24⅛
Scott Paper	16¼	16¼
Scudder Duo V	11¼	11¾
Seacon	17⅛	18¼
Seagram	46¾	47½
Sealed Power	30½	31
Searle (GD)	29½	30⅛
Sears Roebuck	16	15¾
Security Pac	35⅜	36
Sedco	23⅛	23⅞
Shell Oil	39	39⅝
Shell Trans	23¼	24
Sherwin-Wms	17	17⅞
Signal	23⅝	23⅜
Signode	35	36⅝
Simplicity Patt	9⅝	10
Singer	15¼	15¼
Skyline	11¾	12
Smith Intl	41	41⅜
Smith Kline	67⅞	67⅝
Sonesta Intl	10	10
Sony	16	16¾
Southeast Bankg	17¾	18½
Sth.Cal. Edison	27⅝	28
Southern Co	11⅞	11⅞
Sthn Nat. Res	30¾	31¾
Sthn. N. Eng. Tel	38¾	38½
Sthn. Pacific	35⅛	36¾
Sth. Railway	81	81¾
Southland	27½	27¾
S W Bancshares	24¼	24⅛
Sperry Corp	30¾	32⅝
Spring Mills	21⅝	21¾
Square D	25½	26⅛
Squibb	28½	29
Std Brands Paint	25⅞	26¼
Std Oil Cllfornia	37⅝	38½
Std Oil Indiana	49⅞	50⅝
Std Oil Ohio	37	37¾
Stanley Wks	16½	16½
Stauffer Chem	19⅞	20⅝
Sterling Drug	19⅛	20¼
Stevens (JP)	12¾	13
Stokely Van K	26⅜	28¾
Storage Tech	32⅛	32⅝
Sun Co	29⅝	30⅜
Sunbeam	28¾	28¼
Sundstrand	33¾	36½
Superior Oil	29⅝	30½
Super Val Strs	16⅛	16⅝
Syntex	49⅞	50¼
TRW	49½	49¾
Taft	26¾	26¾
Tampax	30⅛	30⅝
Tandy	27⅜	28½
Teledyne	130¼	134¾
Tektronix	46¼	46¼
Tenneco	31¾	33¼
Tesora Pet	14⅝	15½
Texaco	32½	33⅜
Texas Comm. Bk	37⅞	38⅜
Texas Eastern	45¾	47⅛
Texas Gas Trn	31¾	31⅞
Texas Instr'm'ts	81⅝	83⅞
Texas Oil & Gas	29¾	30½
Texas Utilities	19¾	20⅛
Texasgulf	55¾	55¾
Textron	26⅜	26½
Thermo Electro	19½	20⅞
Thomas Betts	54¾	58¼
Tidewater	33¾	35½
Tiger Intl	12½	13⅜
Time Inc	65	66½
Times Mirror	46¾	47
Timken	60	61¾
Tipperary	21¾	23¼
Tonka	22¾	23
Total Pet	18⅛	13
Trane	19½	20⅞
Transamerica	21⅛	21⅞
Transway	20½	22¾
Trans World	15¼	16⅜
Travelers	44	44⅝
Tricentrol	7	7⅝
Tri Continental	18⅝	18⅞
Triton Oil Gas	14½	16
Tyler	18⅞	19⅞
UAL	18⅛	18⅛
UMC Inds	9¾	10
Unilever N.V.	52½	54
Union Camp	47½	48
Union Carbide	46¼	47⅛
Union Oil Cal	29⅞	32
Union Pacific	45¼	46¾
Uniroyal	7½	7⅞
Untd Brands	9⅞	10⅜
Utd. Energy Res	38¼	39¾
US Fidelity G	40	40
US Gypsum	30½	31½
US Home	17⅛	17¾
US Inds	8⅜	9⅛
US Shoe	25¾	28
US Steel	25⅝	26⅛
US Surgical	20	20¼
US Tobacco	41¼	42
US Trust	28½	28½
Utd. Technolgs	41¼	42⅜
Utd. Telecomms	19⅝	19½
Upjohn	46⅝	47⅞
VF	35¼	36⅝
Varian Assocs	24¼	25⅛
Vernitron	10⅞	11⅞
Virginia EP	11¼	11⅞
Vulcan Matris	46⅛	47¼
Walker (H) Res	18	18½
Wal-Mart Stores	34⅛	35⅛
Warnaco	21½	23
Warner Comms	43¼	43⅝
Warner-Lambt	17½	18⅛
Washington Post	27⅝	27⅝
Waste Mangt	29½	29⅞
Weis Mkts	34⅜	34¼
Wells Fargo	26⅛	26⅛
W. Point Peppl	19¾	19¾
Western Airlines	6½	6¾
Westn. Nth. Amr	20	22⅞
Westinghouse	24½	24½
Westvaco	20⅞	22
Weyerhaeuser	26⅝	26⅞
Wheelabratr F	40	39⅞
Wheeling Pitts	25½	27¼
Whirlpool	23⅝	25⅞
White Consoltd	27⅜	28¾
Whittaker	29⅛	30¼
Wickes	12	12⅛
Williams Co	23½	25⅛
Winn-Dixie Str	30¾	31
Winnebago	5	5
Wisc Elec Power	25	25⅛
Woolworth	19⅛	19⅝
Wrigley	33	33¼
Wyly	7	8
Xerox	41⅝	44
Yellow Frt Sys	18⅝	18½
Zapata	24½	26
Zenith Radio	11¼	11¾

Indices

NEW YORK —DOW JONES

	Sept. 25	Sept. 24	Sept. 23	Sept. 22	Sept. 21	Sept. 18	1981 High	1981 Low	Since Cm'pil't. High	Since Cm'pil't. Low
◆Indu str'ls	844.01	855.14	840.94	845.70	846.56	856.19	1024.05 (27/4)	824.01 (25/9)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me Bnds.	57.04	57.33	57.69	57.91	57.68	57.49	65.78 (16/1)	57.04 (25/9)	—	—
Transport.	335.48	345.72	346.04	350.92	348.84	345.51	447.38 (16/4)	335.49 (25/9)	447.38 (16/4/81)	12.23 (8/7/32)
Utilities	102.21	104.01	104.81	105.10	104.81	104.24	117.81 (5/1)	102.21 (25/9)	163.32 (20/4/69)	10.5 (28/4/42)
Trading Vol 000's	56,090	48,880	52,700	45,850	44,570	47,350	—	—	—	—

◆Day's high 834.47 low 815.35.

	Sept. 18	Sept. 11	Sept. 4	Year ago (approx
Ind. div. yield %	6.68	6.35	6.44	5.58

STANDARD AND POORS

	Sept. 25	Sept. 24	Sept. 23	Sept. 22	Sept. 21	Sept. 18	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
Indust'ls	125.93	128.49	129.39	130.55	131.26	130.19	157.02 (6/1)	128.49 (24/9)	160.96 (28/11/80)	3.52 (30/6/32)
Composite	112.77	115.01	115.65	116.68	117.24	116.26	138.12 (6/1)	115.01 (24/9)	140.52 (28/11/80)	4.40 (1/6/32)

	Sept. 23	Sept. 16	Sept. 9	Year ago (approx
Ind. div. yield %	5.52	5.36	5.36	4.50
Ind. P/E Ratio	7.90	8.15	8.13	9.03
Long Gov. Bond yield	14.30	14.13	14.53	11.62

NY. S.E. ALL COMMON

Sept. 25	Sept. 24	Sept. 23	Sept. 22	1981 High	1981 Low
64.96	66.42	66.74	67.43	79.14 (6/1)	64.96 (25/9)

Rises and Falls	Sept. 25	Sept. 24	Sept. 23
Issues Traded	1,877	1,854	1,881
Rises	148	620	309
Falls	1515	816	1,268
Unchanged	214	428	304
New Highs	—	4	1
New Lows	—	153	316

MONTREAL

	Sept. 25	Sept. 24	Sept. 23	Sept. 22	1981 High	1981 Low
Industrials	310.21	324.38	328.01	332.47	409.56 (27/5)	310.21 (25/9)
Combined	293.87	305.56	308.29	312.41	375.28 (13/5)	293.87 (25/9)
TORONTO Composite	1812.48	1886.6	1823.8	1855.8	2378.8 (10/4)	1812.48 (25/9)

NEW YORK ACTIVE STOCKS

Friday	*Stocks traded*	*Closing price*	*Change on day*		Stocks traded	Closing price	Change on day
Exxon	1,133,200	30	— ⅛	Texaco	445,400	32½	— ⅞
ATT	560,700	56⅞	— ¼	Burltn Ind	422,100	25½	+1
Du Pont	553,900	37½	— ⅜	Schlumb	415,100	50½	—1½
IBM	521,200	53½	—1	Gen. Tel. El.	406,700	30	— ⅛
Mobil	448,200	25	— ⅞	S. Cal. Edi.	405,100	27⅝	— ⅜

	Sept. 28	Sept. 25	Sept. 24	Sept. 23	1981 High	1981 Low
AUSTRALIA						
All Ord. (1/1/80)	563.5	584.2	583.4	600.1	757.3 (6/4)	565.5 (28/8)
Metal & Minrls (1/1/80)	463.0	486.7	491.2	502.7	736.2 (7/1)	463.8 (28/9)
AUSTRIA						
Credit Aktien (2/1/62)	54.65	54.72	54.68	54.49	66.45 (5/1)	54.8 (21/8)
BELGIUM						
Belgian SE (31/12/63)	73.22	72.76	72.82	72.31	86.15 (17/2)	68.53 (16/8)
DENMARK						
Copenhagen SE (1/1/73)	112.27	112.80	115.09	112.67	119.00 (25/8)	95.38 (2/1)
FRANCE						
CAC General (29/12/61)	89.9	92.80	94.09	94.5	112.5 (17/3)	77.3 (15/6)
Ind Tendance (31/12/80)	97.2	100.60	102.80	103.3	106.3 (10/3)	79.2 (12/6)
GERMANY						
FAZ-Aktien (31/12/58)	218.59	223.34	225.08	228.70	245.47 (5/7)	215.88 (9/2)
Commerzbank(Dec 1953)	669.1	682.40	687.30	696.7	749.0 (5/7)	668.4 (16/2)
HOLLAND						
ANP-CBS General (1970)	78.5	82.50	83.40	84.8	96.8 (29/8)	78.5 (28/9)
ANP-CBS Indust (1970)	62.0	65.00	66.00	66.9	76.4 (22/6)	62.0 (28/9)
HONG KONG						
Hang Seng Bank (31/7/64)	1245.26	1351.01	1322.68	1351.01	1810.20 (17/7)	1245.26 (28/9)
ITALY						
Banca Comm Ital (1972)	186.99	198.87	192.29	186.63	292.86 (6/6)	169.44 (24/7)
Japan						
Dow Average (16/5/49)	7037.12	7563.05	7564.96	(c)	8019.14 (17/8)	6956.52 (15/3)
Tokyo New SE (4/1/68)	528.27	552.30	554.05	(c)	603.92 (17/8)	495.79 (5/1)
NORWAY						
Oslow SE (1/1/72)	119.66	128.54	129.78	133.81	146.72 (6/8)	110.34 (5/6)
SINGAPORE						
Straits Times (1966)	660.61	688.84	665.55	686.55	875.28 (25/6)	618.26 (1/8)
SOUTH AFRICA						
Gold (1958)	(u)	—	692.8	705.5	737.8 (7/1)	475.6 (8/7)
Industrial (1958)	(u)	—	691.4	691.9	851.3 (25/9)	537.2 (3/2)
SPAIN						
Madrid SE (30/12/80)	(c)	138.30	139.56	140.07	146.15 (8/9)	100.46 (2/1)
SWEDEN						
Jacobson & P. (1/1/58)	524.13	541.02	548.86	548.76	669.31 (10/8)	404.17 (20/1)
SWITZERLAND						
SwissBankCpn. (31/12/58)	248.1	258.80	260.20	260.6	304.2 (2/4)	249.1 (28/9)
WORLD						
Capital Intl. (1/1/70)	—	135.6	137.4	139.5	162.8 (6/1)	135.6 (25/9)

Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

CANADA

Stock	Sept. 25	Sept. 24
AMCA Intl	19⅜	20½
Abitibi	21	21
Agnico Eagle	10¼	10¼
Alcan Alumin	28⅜	28⅞
Algoma Steel	41½	42½
Asbestos	35	37
Bk. Montreal	23½	25
Bk.Nova Scotia	24¼	24⅝
Basic Resources	5½	5⅝
Bell Canada	17⅜	17½
Bow Valley	15	16⅜
BP Canada	32	35¾
Brascan A	24⅝	25⅞
Brinco	5¾	6
B. C. Forest	13	13¼
CadillacFairview	11	11⅞
Camflo Mines	22	24⅛
Can Cement	12	12
Can NW Lands	29	31
Can Packers	30	30
Can Trusco	27½	27¾
Can Imp Bank	26	26⅝
Cdn Inds	31	31
Cdn Pacific	42	43½
Can P. Ent	19	20
Cdn Tire	29½	30
Cherokee Res	4.60	5¼
Chieftain	16¾	18¼
Cominco	53½	55
Cons Bathst A	19¾	20⅝
Coseka Res	11¼	12
Costain	8⅞	8⅞
Daon Devel	5⅝	6
Denison Mines	27½	30½
Dome Mines	22	23¾
Dome Petroleum	12	13¾
Dom Foundries A	40	43½
Dom Stores	15⅜	15¼
Domtar	23⅝	24¼
FalconNickel	72	75
Genstar	25½	26¼
Gt.-West Life	2.45	2.45
Gulf Canada	18½	19¾
Gulfstream Res	5¼	5⅝
Hawk Sid. Can	10	11
Hollinger Argus	29¾	30
Hudson Bay Mng	23	23¾
Hudson's Bay	21	22
do. Oil & Gas	34⅝	38
Husky Oil	10½	12
JAC	7⅛	7⅝
Imasco	33	34¼
Imp Oil A	26	27⅜
Inco	17½	17¾
Indal	11¼	13¾
Inter. Pipe	12¾	13¼
Mac Bloedel	29	29¾
Marks & Spencer	9¼	9¼
Massey Ferg	2.60	2.70
McIntyre Mines	35½	42
Merland Explor	9	9⅜
Mitel Corp	26¾	28
Moore Corp	35⅝	35⅜
Nat. Sea Prods A	9½	9½
Noranda Mines	23	23⅝
Nthn. Telecom	42	43½
Oakwood Pet	17½	18¼
Pacific Copper	2.40	2.45
Pan can Petrol	70	75¼
Patino	9	10½
Placer Dev	16⅛	16⅞
Power Corp	16	16⅝
Quebec Strgn	2.85	3.20
Ranger Oil	8⅞	9½
Reed Stenhs A	9¾	9¾
Rio Algom	33¼	33⅞
Royal Bank	25	26
RoyalTrustco A	16	16⅝
Sceptre Res	8¾	9¼
Seagram	54¾	56¾
Shell can Oil	19	20
Steel of Can A	32	32⅞
Teck B	12¾	13½
Texaco Canada	24½	26⅞
Thomson News A	18¾	19¼
Toronto Dom Bk	27	27
TransCan Pipe	19⅝	19⅛
Trans Mntn. Oil A	8⅛	9⅛
Utd. Sisco Mines	9¾	9
Walker (H) Res	21¼	22¼
Warrior Res	2.25	2.25
Westcoat Trans	11⅛	11¼
Weston (Geo)	32	33

AUSTRIA

Sept. 28	Price %	+ or —
Creditanstalt	326	......
Landerbank	390	......
Perimooser	263	—1
Semperit	95	......
Steyr Daimler	178	+1
Veitscher Mag	200	—4

BELGIUM/LUXEMBOURG

Sept. 28	Price Frs.	+ or —
ARBED	1,080	......
Banq Int A Lux	3,700	......
Bekaert B	1,160	......
Ciment CBR	1,028	—2
Cockerill	139	......
EBES	1,290	+4
Electrobel	2,800	+125
Fabrique Nat	1,965	......
G.B. Inno	1,905	—5
GBL (Brux L)	1,050	—30
Govaert	1,396	—12
Hoboken	2,180	+20
Intercom	1,046	+15
Kredietbank	3,990	+40
Pan Hldgs	5,250	—50

BELGIUM (continued)

Sept. 28	Price Frs.	+ or —
Petrofina	4,020	......
Royale Belge	3,950	+20
Soc Gen Banq	1,580	—20
Soc Gen Belge	908	+8
Sofina	2,480	......
Solvay	1,795	+5
Traction Elect	1,660	+20
UCB	1,120	—30
Union Miniere	616	......
Vieille Mont.	1,300	+2

DENMARK

Sept. 28	Price %	+ or —
Andelsbanken	115.2	......
Baltica Skand	349.6	—3.4
CopHandelsbank	121.6	......
D. Sukkerfab	384	+1
Danske Bank	121.6	+0.2
East Asiatic	155.6	—2.6
Forenede Brygg.	499.4	—0.6
Forenede Damp.	293	+2.8
GNT Hldg	212	+1.6
Jyske Bank	167.2	......
Nord Kabel	142	—2
Novo Ind	1,030	—109
Papirfabrikker	100	......
Privatbanken	124.4	......
Provinsbanken	119	......
Smidth (Fl)	241	+1
S. Berendsen	405	—4.6
Superfos	155.4	—2.8

FRANCE

Sept 28	Price Frs.	+ or —
Emprunt 4½% 1973	2,430	—88
Emprunt 7% 1973	7,410	—210
CNE 3%	2,912	—42
Afrique Occid	540	—31
Air Liquide	475	—11
Aquitaine	655	—55
Au Printemps	113	—5
BIC	455	—3
Banq' Rothschild	108.5≠	......
Bouygues	928	—10
BSN Gervais	1,099	—26
Carrefour	1,680	+30
Club Mediter	475	—15
CGE	286.5≠	......
CSF(Thomson)	232	—18
Cie Bancaire	148.5	—12.5
Cie Gen Eaux	287.1	—9.9
Cofimeg	123.5	—0.5
CCF	144.8≠	......
Creusot Loire	41.1	—4.4
CFP	109	—5.7
DNEL	32.3	—3.2
Dumez	1,175	—50
Gen.-Occidental	445	—8
Imetal	90.2	—12.3
Lafarge	287	......
L'Oreal	770	......
Legrand	1,310	—80
Machines Bull	55	—2.9
Matra	1,815	......
Michelin B	749	—31
Moet-Hennessey	571	—19
Moulinex	60.5	—4.5
Paribas	195.5≠	......
Pechiney	80.5	......
Pernod Ricard	300	+3.7
Perrier	149.8	—18.2
Peugeot-S.A.	145	—9
Poclain	170	—6
Radiotech	190	—5
Redoute	693	—47
Rhone-Poulenc	80.5≠	......
Roussel-Uclaf	221	—9
St. Gobain	108≠	......
Skis Rossignol	471	—14
Suez	268≠	......
Telemech Elect	872	—28
Thomson Brandt	190≠	......
Valeo	200.5	—4.5

GERMANY

Sept. 28	Price Dm.	+ or —
AEG-Telef	50.1	—3
Allianz Vers	431	—6
BASF	131.8	—2.7
BAYER	116.7	—2.8
Bayer-Hypo	170	—3
Bayer-Verein	261.5	—7.5
BHF-Bank	182	—4
BMW	174.5	—5.5
Brown Boveri	237	—3.5
Commerzbank	128.5	—4
Conti Gummi	46.2	—0.2
Daimler Benz	318	—12
Degussa	255	—4
Demag	133	—0.5
D'sche Babcock	183	—8
Deutsche Bank	261.5	—7.5
DU Schult	135	—1
Dresdner Bank	131.8	—4.6
Dyck Zement	115	......
GHH	201	—11.8
Hapag Lloyd	61	—0.5
Hoechst	116.6	—1.8
Hoesch	20.2	—0.4
Holzmann (P)	349	—16
Horten	122	—0.5
Kali und Salz	200	—13
Karstadt	205	—7.5
Kaufhof	159	—1
KHD	180	—13
Kloeckner	48.9	—1.6
Krupp	47	—2.5
Linde	312.5	—14.5
Lufthansa	57	—0.7
MAN	186	—6
Mannesmann	141	—5.3
Mercedes Hlg	288	—3
Metallgessell	282	—2
Muench Ruck	635	—10
Preussag	173	—13
Rhein West Elect	164	—2.8
Rosenthal	320	—3
Schering	265	—11.5
Siemen	223	—3
Thyssen	57.5	—1.3
Varta	71	—7
Veba	20.2	—2.8
Verein-West	62	—1
Volkswagen	126.7	—5.3

HOLLAND

Sept 28	Price Fls.	+ or —
AOF Holding	57.8	—6.2
Ahold	57.8	—8.2
AKZO	19.9	—1.8
ABN	282	—5.5
AMEV	87	—2.3
AMRO	51.3	—1.4
Bredero Cert	177	—6
Bos Kalis	60	—3.7
Buhrmann-Tet	45	—0.3
Caland Hldgs	35	......
Elsevier NDU nv	115	—5
Ennia	118	—3
EuroCom Tst	77	......
Gist. Brocades	51	—4.3
Heineken	44	—3.6
Hoogovens	14.8	—0.9
Hunter Douglas	8.3	+0.1
Int-Muller	17.5	—1.1
KLM	83.8	—4.2
Naarde'n	25.3	—3
Nat Ned cert	105	—3
Ned Cred Bank	38	—0.8
Ned Mid Bank	153.2	—2.3
Ned Lloyd	131.2	—4.8
Oce Grinten	87.5	—5.5
Ommeren (Van)	26.8	—0.9
Pakhoed	35	—1.8
Philips	17.7	—1.1
Rijn-Scheide	59.5	......
Robeco	207.8	—7.2
Rodamco	117.2	—0.5
Rolinco	205.1	—8.9
Rorento	130	—0.1
Royal Dutch	71.3	—2.5
Slavenburg's	91	—9
Tokyo Pac Hg	214	—11
Unilever	126.2	—8.3
Viking Res	118	—8.8
Vmf Stork	34	—1.5
VNU	62.3	—0.7
Volker-Stevin	28	—0.2
West Utr Bank	71	—4

ITALY

Sept. 28	Price Lire	+ or —
Assicur Gen	151,380	—3,590
Banca Com'le	63,500	......
Bastogi Fin	362	—4
Centrale	5,205	—384
Credito Varesino	9,600	—200
Fiat	1,585	—23
Finsider	37	—3
Invest	3,005	—61
Italcementi	34,300	—2,900
Italsider	120≠	......
Montedison	163.5	—3
Olivetti	2,997	—46
Pirelli Co	2,820	—140
Pirelli Spa	1,479	—9
Snia Viscosa	790	—25
do. do. Priv	755	—45
Toro Assic.	42,000	—1,400
do. Pref	38,200	—2,250

NORWAY

Sept. 28	Price Kroner	+ or —
Bergens Baks	110	......
Borregaard	107.5	—8.5
Creditbank	126	—1.5
Elkem	55	—2
Kosmos	480	......
Norsk Hydro	383	—40
Storebrand	185	—2.5

SWEDEN

Sept. 28	Price Kronor	+ or —
AGA	190	—1
Alfa-Laval	166	—4
ASEA	135	—5
Astra	355	—10
Atlas Copco	104	—4
Boliden	278	—10
Cellulosa	216	—12
Electrolux B	79.5	—2
Ericsson	167	—7
Esselte	158	......
Fagersta	105	......
Fortia (Free)	490	+1
Mo och Dom	142	—9
Saab-Scania	111	—3
Sandvik	205	+3
Skandia	500	—10
Skan Enskilda	220	+2
SKF B	117	—5
St. Kopparberg	262	—3
Sven Handelsbn	111	—5
Swedish Match	92	—5
Volvo	122	—8

SWITZERLAND

Sept. 28	Price Frs.	+ or —
Alusuisse	245	—30
Brown Boveri	1,220	—30
Ciba-Geigy	1,005	—85
do (Part Certs)	810	—35
Credit Suisse	2,000	—25
Elektrowatt	2,200	—140
Fischer (Geo)	600	—5
Hoff-Roche PtCts	61,000	—4,000
Hoff-Roche 1/10	6,000	—300
Interfood	5,125	—175
Jelmoli	1,160	—40
Landis & Gyr	1,150	—50
Nestle	2,820	—130
Oer-Buhrle	1,640	+70
Pirelli	222	—1
Sandoz (B)	3,875	—125
Sandoz (Pt Cts)	500	—25
Schindler (PtCts)	240	—10
Swissair	612	—13
Swiss Bank	301	—10
Swiss Reinsce	6,600	—150
Swiss Volksbk	1,190	—60
Union Bank	2,790	—60
Winterthur	2,300	—50
Zurich Ins	15,100	—500

AUSTRALIA

Sept. 28	Price Aust. $	+ or —
ANZ Group	4.70	—0.24
Acrow Aust	1.20	......
Allstate Expl	1.00	—0.02
Ampol Pet	1.48	—0.02
Assoc. Pulp Pap	2.00	......
Audimco	0.12	—0.05
Aust. Cons. Ind	1.81	—0.08
Aust. Guarant	2.00	—0.05
Aust. Nat. Inds	3.2	—0.1
Aust. Paper	1.84	—0.06
Bank NSW	2.82	—0.08
Blue Metal	1.55	—0.10
Bond Hldgs	2.2	—0.2
Boral	3.05	—0.13
Bl'ville Copper	1.40	—0.08
Brambles Inds	2.40	—0.07
Bridge Oil	4.2	—0.3
BHP	10.10	—0.85
Brunswick Oil	0.15	—0.02
CRA	3.20	—0.25
CSR	4.12	—0.13
Carlton & Utd	2.08	—0.12
Castlemaine Tys	2.8	—0.1
Cluff Oil (Aust)	0.55	......
Do. Opts	0.35	......
Cockburn Cemt	1.27	—0.03
Coles (G.J.)	2.25	—0.7
Comalco	1.85	—0.10
Container	6.40	......
Costain	2.50	+0.50
Crusader Oil	5.0	—0.2
Dunlop	0.97	—0.05
Elmer Smith GM	4.20	—0.05
Endeavour Res	0.42	......
Gen Prop Trust	1.63	—0.03
Hamersley	4.00	......
Hartogen Energy	5.5	......
Hooker	1.14	—0.07
ICI Aust	1.78	+0.01
Jennings	1.18	......
Jimb'lana (50cFP)	0.55	—0.03
Jones (D)	1.70	—0.02
Kia Ora Gold	0.18	—0.01
Lennard Oil	0.34	—0.04
MIM	3.65	—0.25
Meekatharra Ms	5.90	—0.10
Meridian Oil	0.37	—0.03
Monarch Pet	0.15	—0.03
Myer Emp	1.30	—0.05
Nat. Bank	2.62	—0.08
News	2.48	......
Nicholas Int	1.5	......
North Bkn Hill	2.55	—0.15
Oakbridge	1.30	—0.18
Otter Expl	0.95	—0.07
Pancon	2.35	—0.15
Pan Pacific	0.25	—0.05
Pioneer Co	1.78	—0.07
Queen Marg't G	0.27	—0.01
Reckitt & Coln	2.20	—0.05
Santos	4.15	—0.35
Sleigh (HC)	1.12	—0.01
Southland M'n'g	0.56	......
Spargos Expl	0.38	—0.02
Thos. Natwide	2.25	......
Tooth	2.45	......
UMAL Cons	2.25	—0.15
Valiant Consdt	0.32	......
Waltons	0.85	......
Western Mining	4.55	—0.32
Woodside Petrol	1.22	—0.07
Woolworths	1.69	—0.02
Wormald Intl	3.15	—0.10

HONG KONG

Sept. 28	Price H.K. $	+ or —
Cheung Kong	21.4	—2.4
Cosmo Prop	2.5	......
Cross Harbour	9	......
Hang Seng Bank	108	—8
HK Electric	4.8	—0.5
HK Kowloon Wh	5.65	—0.45
HK Land	8.20	—0.85
HK Shanghai Bk	13.4	—0.7
HK Telephone	17.8	—0.7
Hutchison Wpa	14	—1.6
Jardine Math	14.1	—1.6
New World Dev	4.85	—0.4
O'seas Trust Bk	5.0	—0.6
SHK Props	12.8	......
Swire Pac A	10.7	—1.0
Wheel'k Mard A	5.65	—0.55
Wheel'k Marit'e	5.8	......
World Int. Hldgs	2.57	—0.33

JAPAN

Sept. 28	Price Yen	+ or —
Ajinomoto	780	—23
Amada	601	—32
Asahi Glass	685	—2
Bridgestone	450	......
Canon	1,120	—190
Citizen	342	—18
Daiei	620	......
DKBO	400	......
Dai Nippon Ptg	681	—34
Daiwa House	340	—25
Daiwa Seiko	360	—5
Ebara	425	......
Eisai	830	—6
Fuji Bank	392	—2
Fuji Film	1,180	—150
Fujisawa	1,060	......
Fujitsu Fanuc	5,500	—250
Green Cross	1,590	—60
Hasegawa	560	+1
Heiwa Rl-Est	551	—3
Hitachi	648	—50
Hitachi Koki	501	—14
Honda	780	—100
HouseFood	848	—30
Hoya	772	+2
Itoh (C)	320	—3
Ito-Ham	407	......
Ito-Yokado	1,010	......
JACCS	624	......
JAL	2,410	+10
Jusco	638	—5
Kajima	335	—5
Kao Soap	481	—2
Kashiyama	590	—5
Kikkoman	355	—9
Kirin	408	—2
Kokuyo	980	+5
Komatsu	392	—28
Komatsu Flt	652	+1
Konishroku	562	—40

JAPAN (continued)

Sept. 28	Price Yen	+ or —
Kubota	343	......
Kumagai	339	+2
Kyoto Ceramic	5,160	—130
Lion	380	—1
Maeda Cons	518	—2
Makita	865	+13
Marubeni	316	—5
Marudai	610	+4
Marui	730	—15
Matsushita	1,110	—160
M'ta Elec Works	510	—5
M'bishi Bank	398	......
M'bishi Corp	550	—29
M'ibishi Elec	322	—28
M'bishi Rl East	407	—3
MHI	258	—27
Mitsui Co	316	—4
Mitsui Rl Est	500	—10
Mitsukoshi	405	—10
NGK Insulators	410	—1
Nippon Denso	995	—155
Nippon Gakki	673	+1
Nippon Meat	391	—9
Nippon Oil	1,040	—40
Nippon Shinpan	750	......
Nippon Steel	188	—16
Nippon Suisan	257	—19
NTV	3,810	......
Nissan Motor	770	—90
Nisshin Flour	341	—10
Nisshin Steel	185	—10
Nomura	535	—60
NYK	313	—8
Olympus	1,010	—150
Orient	1,350	—10
Pioneer	3,450	—250
Renown	690	—1
Ricoh	700	—88
Sanyo Elect	470	—40
Sapporo	237	......
Sekisui Prefab	660	......
Sharp	702	—43
Shiseido	820	—14
Sony	3,210	—470
Stanley	373	—15
S'tomo Marine	277	+2
Taihei Dengyo	340	+4
Taisei Corp.	229	+5
Taisho Pharm	601	—20
Takeda	795	—71
TDK	3,350	—410
Teijin	231	—14
Teikoku Oil	865	—20
TBS	385	......
Tokio Marine	452	—8
Tokyo Elect.Pwr	819	+4
Tokyo Gas	107	+2
Tokyo Sanyo	485	—10
Tokyu Corp	203	......
Toshiba	352	—45
TOTO	410	......
Toyo Seikan	410	+11
Toyota Motor	1,000	—140
Victor	2,880	—320
Wacoal	670	—10
Yamaha	785	—60
Yamazaki	513	—2
Yasuda Fire	280	—5
Yokogawa Bdge	511	+3

SINGAPORE

Sept. 28	Price $	+ or —
Boustead Bhd	2.82	—0.28
Cold Storage	3.50	—0.05
DBS	6.9	—0.3
Fraser & Neave	4.96	—0.18
Haw Par	2.98	—0.18
Inchcape Bhd	1.78	—0.02
Malay Banking	5.85	—0.15
Malay Brew	4.84	......
OCBC	8.65	—0.5
Sime Darby	3.22	—0.1
Straits Trdg	6.85	—0.2
UOB	4.24	—0.1

SOUTH AFRICA

Sept. 28	*Price Rand*	+ or —
Abercom	4.3	—0.05
A & Ci	9.6	—0.1
Anglo Am	16.25	—1.35
Anglo Am Gold	117	......
Anglo Am Prop	3.4	—0.05
Barlow Rand	9.85	—0.55
Buffels	48.5	—5.5
CNA Invest	6.85	......
Currie Finance	2.75	......
DeBeers	8.3	—0.53
Driefontein	32.75	—2.75
FS Geduld	50	—3
Gold Fields SA	100	—3.5
Highveld Steel	5	—0.20
Huletts	8.2	—0.3
Kloof	42	......
Nedbank	6.2	—0.1
OK Bazaars	21.9	—0.35
Protea Hldgs	3.2	—0.1
Rembrant	7.8	—4
Rennies	4.45	—0.10
Rust Plat	6.4	......
Sage Hldgs	2.50	—0.15
SA Brews	4.55	—0.25
Tiger Oats	19.25	......
Unisec	3.45	—0.05

Financial Rand US$0.72¾ (Discount of 30¼%)

BRAZIL

Sept. 25	Price Cruz	+ or —
Acesita	1.30	......
Banco Brasil	5.85	+0.05
Banco Itau	1.55	......
Belgo. Min	2.90	—0.10
Lojas Amer	3.60	—0.05
Petrobras PP	4.53	......
Pirelli Op	1.20	......
Souza Cruz	6.05	+0.05
Unip. PE	5.70	+0.10
Vale Rio Doce	9.00	—0.40

T'over Cr 664.5m. Vol. 324.8m.
Source: Rio de Janeiro SE.

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. ≠ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Share gloom hits metals

BY JOHN EDWARDS, COMMODITIES EDITOR

THE GLOOM on the stock exchanges spilled over onto the London metal markets yesterday bringing steep price falls. Worst affected were precious metals where the sudden decline in gold resulted in free market platinum and silver prices being marked down sharply.

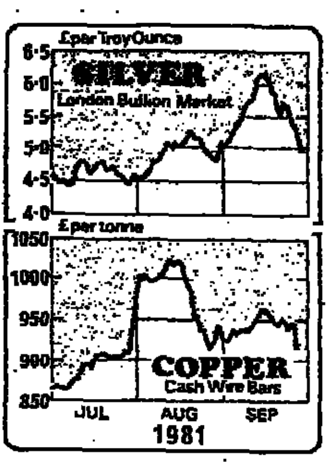
Free market platinum lost £18.35 to £219.35 a troy ounce. The bullion spot quotation for silver was cut by 38.9p to 495.85p in the afternoon, before rallying in after hours trading. Silver was additionally unsettled by the prospect of sales by the U.S. strategic stockpile starting this week.

On the London Metal Exchange the most spectacular drop was in the thinly traded nickel futures markets, where the cash price plunged by £295 to £2,685 a tonne.

But there were heavy losses in the more active markets too. Copper cash wirebars lost £34 to £912.5 a tonne; cash zinc £34 to £467.5; cash lead over £27 to £373.125 and cash tin £145 to £8,240 a tonne.

There was some recovery in late kerb, and after hours trading encouraged by a steadier trend in New York.

However, there is some apprehension that losses in stocks and shares could force speculators to dispose of their metal holdings at a time when economic prospects have taken a distinct turn for the worse.



Encouraging the downturn in copper was news that workers at Noranda's Horne smelter in Quebec had voted to end the strike started last week.

Speculative selling was the main reason behind the fall in nickel, but aluminium futures were hit by stocks in the LME warehouses rising to over 100,000 tonnes for the first time ever.

Aluminium holdings rose by 5,375 to 100,525 tonnes. Copper stocks were up too by 1,375 to 112,825 tonnes; lead by 1,575 to 45,375; nickel by 102 to 3,222, while LME silver stocks rose by 240,000 to 29,230,000 ounces. Tin stocks fel by 195 to 12,015 and zinc by 1,150 to 84,175 tonnes.

Roy Hodson writes: Alcan of Great Britain yesterday took the initiative in aluminium pricing, announcing that it will effectively raise the price of its primary aluminium ingot made at the Lynemouth smelter by £50 a tonne from Thursday. The group intends to achieve the higher prices by withdrawing discounts on its quoted selling prices and says the higher prices are necessary to offset increases in manufacturing costs.

Alcan has been preparing its strategy towards achieving higher prices for some time and the timing of yesterday's announcement was fixed in advance.

Alcan believes its proposed price rise is justified by the higher raw materials costs all British aluminium smelters are suffering because raw materials are priced in dollars.

Buffer stock boosts cocoa

By John Edwards, Commodities Editor

COCOA prices rose to the highest level for 18 months in London yesterday following the first ever support buying operation by the buffer stock of the International Cocoa Agreement.

Traders claimed that the buffer stock bought the maximum amount of cocoa allowed for daily purchase—10,000 tonnes at the stated price of 2,330 a tonne. This is still below the Agreement's "floor" of 110 cents a lb, calculated to be the equivalent of around £1,350/60 a tonne in London.

On the London futures market the December position closed £17 up at £1,312.5 a tonne.

The buffer stock, which plans to issue details of prices and purchases at the end of each trading day, is not allowed to deal in futures. Its operations are confined to the physical market. At current prices the $230m in the buffer fund should be able to cover purchases of over 90,000 tonnes.

Record harvest forecast

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

BRITAIN'S HARVEST now being completed will amount to a record 19.45m tonnes of all cereals, according to the merchants' organisation UKASTA. Last year's figure was 19.3m tonnes. This forecast which is surprising in view of the poor returns from the early crops, is partly due to a substantial barley crop of 2m tonnes in Scotland.

Details given by UKASTA's President, Mr Martin George, were that barley plantings had increased by 1 per cent to 1.85m hectares and the total yield to 10.4m tonnes, higher than the three previous years.

The wheat crop is estimated as being one of 8.4m tonnes as against 8.2m last year with the area sown having been increased by 3 per cent to 1.45m hectares.

The oats crop has risen to 650,000 tonnes and is of good quality and bushel weight.

Oilseed rape has not done so well this year. Production is down slightly in spite of an increase in the area planted. Bad conditions in the spring inhibited full development of the crop, but farmers are said to be planning to plant a further 42 per cent of oilseed rape for next year's harvest.

These high yields are viewed with some scepticism in the southern part of England where yields have been at best variable and certainly not comparable with those of last year. However farmers' views of the harvest are very much conditioned by their own personal experience. It must also be said that present market conditions do not point to an over-supplied market.

As compared with last year, although a similar quantity of barley — 320,000 tonnes — has been offered to intervention, about 74,000 tonnes have been withdrawn as against 21,000 at the same time last year. Offers to intervention have now completely dried up.

There does appear to be a demand for malting barley, partly for direct export as malt and also for home demand. There has also been a sizeable export trade of feed barley with considerable tonnages having been shipped already. These exports were encouraged by some generous EEC restitutions at the beginning of the season. So keen has the export trade been that many traders have been short, particularly in southern England.

My view is that wheat could be nearer the UKASTA forecast. But the protein quality is not very high and some very high premiums are being paid for samples 11 per cent or over.

The European crop is believed to be down and there is a considerable demand from such newcomers to the market as Spain and the near East.

World cotton crop up

WASHINGTON—The world cotton crop is estimated at a record 70.6m bales, up slightly from prospects a month ago and 8 per cent larger than last year, the U.S. Agricultural Department says.

Favourable growing conditions in the U.S. and China have been important factors in the outlook, according to a recent analysis by the department's foreign agricultural service.

U.S. production is currently indicated at 15.5m bales, the largest crop since 1953. Last year's harvest was 11.1m bales.

Chinese production is estimated at 13.3m bales, compared with 12.4m last year.

The Soviet Union, another large producer, is expected to harvest 13.5m bales, down from 14.3m in 1980, the report said. AP

UK poultry health rules relaxed

By Sara Evans

THE GOVERNMENT is to relax the new stringent EEC animal health and hygiene laws on UK poultry producers who supply the home market alone. The Ministry of Agriculture has said it will, however, continue to issue strict instructions on the regulations to those companies wishing to export.

UK poultry producers argue that the new EEC health rules would double their veterinary inspection costs and the extra cost would have to be passed on to the consumer.

British producers can still export poultry to Europe, provided they follow the new regulations by acquiring a health mark which is now obligatory for Inter-Community trade.

Mr John Tandy, president of the British Veterinary Association, said that consumers should object to the relaxation.

He argued that veterinary costs were minute in comparison with the total costs of the industry, and he thought producers would have welcomed the quality guarantee

Tax relief on Indian tea exports

NEW DELHI—The Indian government announced a full rebate of excise duty paid on unblended tea directly exported from the tea gardens in an attempt to boost exports. A total rebate of 44 paise per kilo of blended tea exports will also be allowed, it added.

India's exports—expected to raise to 240m kgs in 1981-82 compared with 225m last year—are composed mainly of unblended tea.

The tax concessions will bring no relief to the producers of low quality tea which is almost entirely sold on the domestic market, an official of the United Planters Association of South India (UPASI) told Reuters.

These producers are facing a financial crisis because of rising costs and a slump in the domestic prices.

Malaysian exporters stockpile rubber

BY WONG SULONG IN KUALA LUMPUR

MALAYSIAN rubber exporters are to stockpile as much as 20 per cent of their normal stocks of rubber as part of a Malaysian effort to boost prices during the current depressed conditions.

The Malaysian Federation of Rubber Trade Associations, which represents the dealers and exporters, at a meeting in Kuala Lumpur over the weekend, agreed that its members should keep additional stocks of up to 20 per cent over the average stocks for three years between 1978-80.

The federation said in a statement that this move was expected to be only for a temporary period as it believes demand will pick up in the coming months.

The federation had informed Datu' Paul Leong, the Minister of Primary Industries, about its decision, and the minister expressed appreciation for the move to stabilise prices.

However, traders said the federation's action is unlikely to have any strong impact on the market. They pointed out that most rubber exporters are holding excessive stocks anyway because of low overseas demand.

Of more important significance is the slowing down of production. Many rubber smallholders have stopped tapping rubber because of low prices, while there are reports that some Malaysian estates are already resorting to a shorter working week to reduce stocks.

During the past few weeks, the Malaysian government had implemented several measures in the hope of checking the price slide, including restructuring the export duty of rubber, and encouraging the rubber industry, including its own agencies, to withhold selling.

Coffee prices fail to rise

By Our Commodities Editor

ON THE London coffee market yesterday Robusta futures failed to achieve the expected rise in prices. The November position closed £2.5 down at £1,082 a tonne, after having reached £1,099 at one stage. Dealers said the main influence was the developments in currency and share markets affecting sentiment.

The new International Coffee Agreement finalised last Friday morning was bitterly attacked by the Ethiopian delegate on his return to Addis Ababa, but warmly praised by Colombia. The Ethiopian Minister for Coffee and Tea Development, Yehualashet Girma, who walked out of the coffee talks in London in disgust, claimed that small exporters and producers had no voice whatever in the Agreement negotiations.

Colombia's quota was raised to 8.6m bags, equivalent to over 15 per cent of the total global quota of 56m bags.

GATT SUGAR ROW

Compromise with a sting in the tail

BY BRIJ KHINDARIA IN GENEVA

AUSTRALIA'S dogged harassment of the Common Market over the Community's system of sugar exports has paid a first dividend in the world's trade watchdog body, the General Agreement on Tariffs and Trade (GATT).

Very reluctantly the Community agreed last week to permit the creation of a new working party within GATT to continue study of Australia's long-standing complaint that the EEC subsidises sugar exports in a manner harmful to the interests of Australian and other exporters.

This compromise says the "EEC maintains that it had fulfilled its obligations" although both Australia and Brazil insist that their complaints against the Community have not yet been settled.

The working party, whose membership is open to all GATT members rather than to sugar exporters, will "conduct a review of the (sugar) situation and report to the council not later than March 1 1982."

Australia's victory may turn out to be a hollow one because discussion of the row will almost certainly be widened to considerations which could put Australia in the dock alongside the Community.

Both Australia and Brazil filed formal complaints with council about 18 months ago alleging that the community subsidises sugar exports in violation of GATT rules because it reimburses beet sugar producers the difference between lower world prices and higher EEC prices to induce them to export.

An enquiry panel set up by the council subsequently found that the EEC's export restitutions system did create "uncertainty" on world sugar markets but said that damage to the interests of other exporters including Australia and Brazil could not be quantified. On the basis of the findings, the council asked the Community to make changes in its system.

The EEC argues that it has fulfilled all its obligations towards the council arising from the complaints because its new system of producers' co-responsibility ensures that producers, not EEC governments, pay for the export restitutions.

The Community has pugnaciously dug in its feet. It has drawn up a long list of practices in the U.S., Brazil and Australia which it claims also amount to export subsidies affecting sugar markets.

Australia refuses to discuss those practices saying that they are unconnected to its complaints, but, in a working party attended by a variety of countries not directly involved in its row with the community, it may have to accept discussion of all factors affecting the sugar trade.

In accepting the wording of the compromise's last paragraph, Australia and Brazil have already opened the road for that. One of the Community's main allegations is that both these countries should bear as much responsibility for the current beet sugar glut as the Community because they, too, increased acreage considerably.

BRITISH COMMODITY MARKETS

BASE METALS

Base-Metal prices fell sharply, reflecting the weakness of precious metals and the general decline on international financial markets. Copper fell to a low of £945 before closing at £951.5, while Lead finished at £387 after £383, and Zinc at £483 after £484. Tin attracted influential support at £8,250 and closed at £8,270. Aluminium was finally quoted at £502.5, after £666.5, but Nickel dropped to a low of £2,800, as renewed selling triggered heavy stop-loss selling, but recovered to close at £2,642.5.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	920-1	−28.5	912-3	−34
3 mths	956-7	−27.2	946.5-7	−33.7
Settlem't	921	−28.5	—	......
Cathodes				
Cash	918.5-20.5	−28	913-4	−28.7
3 months	950-.5	−27.2	943-4	−30.2
Settlem't	920.5	−28.5	—	......
S. Prod	—		*82.75-4.5	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £923, 22, higher grade three months £952, 54, 54.5, 53.5, 54, 55, 56, 57, 56, 56.5, 56, 55.5, 55, 54.5, 55, 55.5, 56, 56.5, 57, 57.5, 58, 57.5, 57. Standard cathodes, three months £951. Kerb: Wirebars, three months £955, 54, 53, 52. Afternoon: Wirebars, three months higher grade £947, 48, 47, 46.5, 46, 45.5, 46, 45, 45.5, 46, 46.5, 47. Kerb: Wirebars, three months £948, 49, 49.5, 50, 50.5, 51, 52, 53, 54, 53, 52. Turnover: 35,600 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	8260-70	−117	8235-45	−145
3 months	8275-85	−72.5	8265-70	−95
Settlem't	8270	−115	—	......
Standard				
Cash	8260-70	−117	8235-45	−145
3 months	8275-85	−72.5	8265-70	−95
Settlem't	8270	−115	—	......
Straits E.	$835.40	−0.02	—	......
New York	—	......		

Tin—Morning: Standard, cash £8,260, 8,270, three months £8,300, 8,295, 90, 70, 80, 75, 70, 80. Kerb: Standard, three months £8,250, 60, 65. Afternoon: Standard, three months £8,260, 55, 50, 51, 53, 60, 65, 70. Kerb: Standard, three months £8,265, 70. Turnover: 905 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	375.5-7	−28	373-.25	−27.3
3 months	389.5-90.5	−25.5	385.5-6	−25.7
Settlem't	377	−29	—	......
U.S. Spot	—	......	*40-4	......

Lead—Morning: Cash £378, late-Sept £378, three months £387, 86, 87, 86.5, 87, 88, 89, 88, 89, 90. Kerb: Three months £388, 87, 86, 85, 84, 83. Afternoon: Three months £384, 83, 84, 82, 89, 85, 85.5, 86. Kerb: Three months £389, 88.5, 89, 90, 89, 87. Turnover: 13,750 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	484-5	−22	467-8	−34
3 months	500-1	−23	485-.5	−34.2
ment	485	−22	—	......
Primw'ts	—	—	*49.75-56	......

Zinc—Morning: Three months £500, 499, 500, 499.5, 500, 499, 500, 500.5. Kerb: Three months £500, 498, 96, 94, 93. Afternoon: Three months £493, 92, 91, 90, 89, 88, 87, 86, 86, 85.5, 86, 85.5, 85, 84, 86, 85, 84.5, 85, 86, 85.5. Kerb: Three months £487, 88, 89, 90, 92, 93, 91, 89, 88. Turnover: 13,750 tonnes.

Aluminm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	629.5-30	−15.5	628-9	−16
3 months	656.5-7	−12.5	656-.5	−14.2

Aluminium—Morning: Cash £630, 29.5, three months £657, 56.5, 57, 58, 57, 56.5. Kerb: Three months £657. Afternoon: Three months £650, 54, 55, 56, 57, 57.5, 58, 57, 56.5, 56. Kerb: Three months £657, 58, 59, 58, 62. Turnover: 9,325 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	2740-60	−242	2680-90	−295
3 months	2860-70	−212	2805-15	−262

Nickel—Morning: Three months £2,950, 40, 35, 25, 30, 30, 2,880, 70, 60. Kerb: Three months £2,850, 40, 20, 10. Afternoon: Three months £2,830, 20, 02, 10, 15, 10. Kerb: Three months £2,810, 15, 20, 30, 40, 30, 50, 40. Turnover: 1,184 tonnes.

* Cents per pound. ‡ M$ per kilo. † On previous unofficial close. ⊕ High grade cathodes deliverable from Sept 1.

SILVER

Silver was fixed 38.9p an ounce lower for spot delivery in the London bullion market yesterday at 495.85p. U.S. equivalents of the fixing levels were: spot $8.769, down 77.1c; three-month $9.124, down 80.5c; six-month $9.556, down 81.3c; and 12-month $10.382, down 82.8c. The metal opened at 488-494p ($8.65-8.75) and closed at 494-500p ($8.80-8.90).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	495.85p	−38.9	485.50p	−27.0
3 months	514.15p	−40.2	504.50p	−28.0
6 months	536.65p	−40.1	—	......
12months	578.45p	−38.4	—	......

LME—Turnover: 155 (216) lots of 10,000 ozs. Morning: Three months 510, 11, 10, 09, 10. Kerb: Three months 509. Afternoon: Three months 498, 99, 505.5, 5. Kerb: Three months 504, 10, 11, 12, 11, 10.

COCOA

Futures opened higher and remained steady in active trading conditions. Physicals business reflected the large purchases of nearby cocoa by the buffer stock manager, reports Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
Sept	1278-80	+26.0	1280-69
Dec	1312-13	+17.0	1317-02
March	1326-27	+16.0	1332-19
May	1332-35	+16.0	1340-29
July	1339-42	+15.0	1346-36
Sept	1346-48	+13.5	1350-48
Dec	1354-58	+8.5	1358

Sales: 3,240 (3,063) lots of 10 tonnes.

ICCO—Daily price for September 25: unquoted: (105.21). Indicator prices for September 28: unquoted.

COFFEE

After struggling to fulfil early expectations of a steadier market prices retreated on commission house selling and dealer liquidation, reports Drexel Burnham Lambert. Chart indications of a retracement were met with good trade support which erased losses.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept	1060-63	−3.5	1070-50
Nov	1081-83	−2.5	1099-62
Jan	1081-82	−5.0	1096-64
March	1074-76	−9.0	1099-60
May	1076-78	−7.5	1090-65
July	1078-80	−7.0	1094-63
Sept	1070-80	−4.0	1086-62

Sales: 5,108 (7,163) lots of 5 tonnes.

ICO indicator prices for Sept 25: (U.S. cents per pound): Comp Daily 114.84 (110.13); 20-day average 103.70 (105.01).

WOOL FUTURES

BRADFORD—There has been more business but not enough to firm the market or remove anxieties about the outlook. The decline in stock market prices, together with talk of higher interest rates is discouraging stockholding.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg). Oct 389, 398, 395; Dec 392, 395, 393; Jan 395, 396, 395; March 405, 406, 406-405; May 413, 414, 414-413; Aug 423, 425, 424-423; Oct 428, 430, 428-27; Dec 432, 433, 432; Jan 433, 435, nil; March 439, 443, 441-440. Sales: 51.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kilo. Oct 487.0, 488.0, 489.0-486.5; Dec 500.0, 501.0, 502.0-500.5; March 511.0, 511.5, 514.5-511.2; May 522.0, 522.5, 524.0-522.5; July 527.0, 528.0, 528.0-527.0; Oct 525.0, 526.0, 526.0; Dec 527.5, 529.0, 529.0; March 534.0, 536.0, 536.0. Sales: 191.

GAS OIL FUTURES

An unchanged opening was followed by quiet trading showing little price movement. The thin conditions reflected the lack of activity on the physical market, reports Premier Man.

Month	Yesterdys close	+ or —	Business Done
	$ U.S. per tonne		
September	299.00	−0.25	299.00
October	303.75	+0.50	304.00-03.00
November	308.00	+1.25	308.00-07.00
December	310.75	+0.75	311.25-10.00
January	313.75	+0.75	313.75-13.25
February	316.00	+0.25	—
March	318.00	+0.25	—
April	319.75	......	319.50
May	321.50	......	321.50

Turnover: 255 (780) lots of 100 tonnes.

GRAINS

Wheat and barley opened unchanged. Country liquidations on wheat made the market easier, with scale down buying from shipper and commercial houses. Barley was dominated by November and January positions, easing back on sellers of barley/wheat spreads, Acli reports.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterday close	+ or —
Nov	106.65	−0.45	100.70	−0.80
Jan	110.50	−0.50	104.40	−0.70
Mar	114.20	−0.50	108.15	−0.80
May	118.00	−0.50	111.70	−0.60
July	121.30	−0.55	—	—

Business done—Wheat: Nov 107.20-106.50, Jan 111.00-110.40, March 114.80-114.50, May 118.50-118.00, July 122.00-121.50. Sales: 298 lots of 100 tonnes. Barley: Nov 101.50-100.70, Jan 105.05-104.40, March 109.75-108.15, May 122.35-111.70. Sales: 190 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 2 14 per cent Oct 115.25, mid Oct/mid Nov 115.80, Nov 117.10, mid Nov/mid Dec 118.10, Dec 118.50 transhipment East Coast seller, English Feed fob Nov 113 East Coast seller. Maize: French Sept/early Oct 127.50 transhipment East Coast seller. Barley: English Feed fob Oct 104.25 paid East Scotland, Nov 106.60 seller East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Other milling wheat: Eastern 107.30, E Mids 109.50. Feed barley: Eastern 97.50, E. Mids 98.60, N. East 99.50, Scotland 97.10. The UK Monetary Coefficient for the week beginning Monday Oct 5 (based on HGCA calculations using four days' exchange rates) is expected to remain unchanged.

RUBBER

The London physical market opened easier, and saw little interest throughout the day to close quiet. Lewis and Peat report a fob price for No. 1 RSS in Kuala Lumpur of 240.0 (245.0) cents a kg and SMR 20 187.5 (189.5).

No. 1 R.S.S.	Yest'r'ys close	Previous close	Business Done
Nov	54.70-54.80	54.50-56.00	56.46-56.
Dec	55.70-55.80	56.50-58.00	—
Jan-Mar	57.80-58.00	58.40-58.60	58.30-57.00
Apl-Jne	61.50-61.60	62.60-62.80	62.00-60.70
Jly-Sept	64.80-65.00	66.20-66.40	64.70-64.20
Oct-Dec	68.30-68.40	69.00-69.60	—
Jan-Mar	71.70-71.80	72.20-72.90	—
Apl-Jne	75.20-75.30	75.30-76.20	75.20
Jly-Sept	78.50-78.70	78.30-79.30	78.50

Sales: 466 (493) lots of 45 tonnes: 22 (10) lots of 5 tonnes. Physical closing prices (buyer) were: Spot 54.00p (same): Nov 53.00p (54.50p): Dec 54.00p (55.50p).

TEA AUCTION

LONDON TEA AUCTION—Assam CTC's met good demand, selected lines gained several pence. Africans were firm to dearer, except poorer dusts which were at times neglected. Ceylons received fair inquiry but prices were irregular. Quotations: quality 130p per kilo (130p), medium 103p per kilo (103p), plain 78p nominal (unquoted).

SOYABEAN MEAL

The market opened slightly easier and drifted in light volume, reports T. G. Roddick. Prices remained defensive on the prospect of good U.S. crop conditions as harvest gets under way.

	Yesterdys Close	+ or —	Business Done
	£ per tonne		
October	140.00-42.0	−0.50	—
December	134.80-35.5	−0.75	135.70-34.50
February	138.50-38.5	−0.40	139.00-37.00
April	141.20-41.5	+0.10	—
June	143.00-45.5	−0.05	145.50
August	143.50-47.0	0.25	—
October	144.50-50.0	0.25	—

Sales: 56 (55) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar £172.00 (£173.00) a tonne cif Sept-Oct-Nov shipments: White sugar daily price £184.00 (£187.00).

The market opened lower and showed little change until renewed optimism that a way would be found to finance 1.3m tons of 'C' sugars as additional stocks within the EEC lifted prices, reports C. Czarnikow.

No.4 Contract	Yest'rdy's close	Previous close	Business done
	£ per tonne		
Oct	160.25-60.50	172.60-72.50	161.60-71.00
Jan	177.25-78.20	173.00-74.00	178.00-75.50
March	186.30-85.40	181.50-81.40	185.50-79.50
May	188.75-88.90	184.75-85.00	188.75-84.60
Aug	192.00-92.40	188.50-88.75	192.25-88.00
Oct	194.50-95.75	191.75-92.00	195.00-91.25
Jan	194.00-95.00	192.00-95.00	192.75-91.50

Sales: 6,157 (6,382) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £280.4 (same) a tonne fob for home trade and £278.5 (£279.5) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for Sept 25: Daily price 12.17 (12.22): 15-day average 11.47 (11.42).

POTATOES

LONDON POTATO FUTURES—A steadier opening led to a further rise before fresh selling steadily eroded gains to close at the lows, reports Coley and Harper. Closing prices: Nov 77.20, +0.70 (high 77.80, low 77.00): Feb 90.50, +0.80 (high 92.10, low 90.50): April 102.80, +0.90 (high 104.50, low 102.80). Turnover: 353 (304) lots of 40 tonnes.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 25 tonnes. Lack of enterprise continued, with most users acting with considerable caution. Turkish and Russian growths were in request, but other qualities moved off slowly.

MEAT/VEGETABLES

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 75.1 to 79.2; Ulster hindquarters 91.0 to 94.0, forequarters 54.3 to 56.7. Veal: Dutch hinds and ends 124.0 to 129.0. Lamb: English small 67.3 to 73.8, medium 68.0 to 74.0: Scottish heavy 62.0 to 69.0; Imported Frozen: New Zealand PL 64.5 to 65.0, YLs 63.5 to 64.5. Pork: English, 100-120 lb 46.0 to 51.5, 120-160 lb 41.7 to 49.7.

MEAT COMMISSION—Average fatstock prices at representative markets on Sept 28. GB—Cattle 87.85p per kg lw (−0.40). UK—Sheep 153.58p per kg est dcw (+0.34). GB—Pigs 75.33p per kg lw (+3.89).

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated. Imported Produce: Oranges—Outspan: Valencia Lates 48 5.50, 56 6.30, 72 6.25, 88 5.40, 112 5.35, 138 5.30, 150 4.95: Argentinian: 64/72/88/100 5.40-6.80. Lemons—Spanish: boxes 6.00-8.50, trays 25/50 2.80-3.50; Outspan: 80/150 7.50-10.00; Chilean: 80/180 8.50-10.00; Cypriot: 7.50-8.00. Grapefruit—Outspan: 27 4.20, 32 4.85, 36 5.00, 40 5.30, 48 5.03, 56 4.40, 64 4.10, 72 3.30: Cuban: 36/40/48 4.20-4.50; Honduras: 32/56 5.00-5.60. Apples—French: new crop, Golden Delicious 20 lb 3.10-3.40, 40 lb 5.80-6.20, Stark Crimson 40 lb 7.50-8.20, Granny Smith 8.50-9.50, 20 lb 4.60-4.80: Spanish: Granny Smith 7.50-8.50: U.S.: Red Delicious 11.00-12.50, Pears—French: per 28 lb Williams 3.50, Alexandrine 2.80-3.00; Italian: per pound 0.16-0.21; Spanish: per pound 0.15-0.20. Plums—French: President 8.00; U.S.: per pound 0.60. Grapes—Spanish: Almeria 11 lb 2.40-2.00, Negra 2.80-3.00; French: Alphonse 16 lb 3.50-4.00, Italian: Regina 1.50-1.80, Italia per pound 0.20-0.30. Melons—Spanish: 10 kilos yellow 1.80-2.50, green 3.00-3.60. Watermelons—Greek: 3.50; Spanish: 3.00. Peaches—Italian: large trays, B 2.80-3.00. Pineapples—Ivory Coast: each 0.40-0.30. Bananas—Colombian: per pound 0.18-0.20. Avocados—U.S.: 20s 6.50; Israeli: 5.00-5.50; S. African: by air 3.50-4.50. Strawberries—U.S.: 12 oz 1.20. Pomegranates—Spanish: 24/60 4.60-5.50. Tomatoes—Dutch: 2.00-2.20; Spanish: 1.80-2.20. Onions—Spanish: Grano 3/5 2.40-2.60. Capsicums—Dutch: 5 kilos red 5.40, green 3.60, yellow 6.80. Aubergines—Dutch: 6 lb 5.40. Cabbages—Dutch: White 2.80-3.00, red 3.00-3.20. Chillies—Dutch: 3 kilos 2.80-3.00. Artichokes—French: Globe 24s 4.80. Asparagus—S. African: per pound, green 1.20-1.40, white 1.40-1.50; U.S.: 1.50-1.80. Chicory—Belgian: 3 kilos 3.00-3.25.

English Produce: Potatoes—per 55 lb white 2.40-2.60, red 2.60-2.70, King Edwards 3.10-3.30, jacket 3.00. Mushrooms—per pound open 0.40-0.50, closed 0.60-0.70. Apples—per pound Bramley 0.10-0.18, Lord Derby 0.09-0.14, Howgate 0.10-0.15, Cox's 0.20-0.28, Worcester Pearmain 0.10-0.16, Russet 0.15-0.20. Pears—per pound, Williams 0.10-0.12, Conference 0.12-0.16. Strawberries—per ½ lb 0.50-0.60. Raspberries—per ½ lb 0.60-0.70. Tomatoes—per 12 lb D 2.00, E 1.80. Cauliflowers—per 12 Lincoln 2.80-3.20. Cabbages—per bag, Primo 30 lb 1.00-1.20. Lettuces—per 12 round 0.80-1.00, Cos 10/12 1.20-2.00, Webb's 1.40-1.60. Radishes—per pack 12 x 8 oz 1.50, bunches of 15 1.50-1.80. Onions—per tray x 20 bunches, spring 2.00, 55 lb 40/60mm 2.40-2.80. Cucumbers—per 10/20 1.60-2.60. Carrots—per 26/28 lb 1.00-1.20. Beetroots—per 28 lb 1.00-1.20. Marrows—per box 0.60-1.20. Fennel—per 10 lb 3.00. Parsnips—per 28 lb 2.80. Stick beans—per pound 0.10-0.20. Swedes—per net 1.20-1.30. Leeks—per 10 lb 1.60-1.80. Courgettes—per tray 1.50-1.80. Sprouts—per 20 lb 2.00-2.80. Pumpkins—per pound 0.08-0.10.

*

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: Shell cod £5.00-£6.00, codlings £2.80-£4.00; large haddock £3.50-£4.20, medium £3.20-£3.90, small £2.00-£2.80; large plaice £5.60-£6.20, medium £5.00-£6.80, best small £3.80-£5.00; large skinned dogfish £11.00, medium £9.00; large lemon soles £12.00, medium £10.00; rockfish £3.20-£3.60; saithe £2.80-£3.30.

PRICE CHANGES

In tonnes unless otherwise stated.

	Sept. 28 1981	+ or —	Month ago
Metals			
Aluminium	£810/815	......	£810/815
Free Mkt	$1115/1145	−35	$1210/240
Copper			
Cash w'bar	£912.5	−34	£944.5
3 mths	£946.75	−33.75	£972.25
Cash Cathode	£913.5	−28.75	£944.5
3 mths	£943.5	−30.25	£965.5
Gold troy oz	$423	−23.5	$427
Lead Cash	£373.125	−27.37	£415.25
3 mths	£385.75	−25.75	£421.25
Nickel	£4106.25	......	£4,087.5
Free mkt	240/275c	−7.5	278/290c
Platin'mtr'y oz	£260	......	£260
Freemkt	£219.35†	......	£233.65
Quicksilver	$425/450	......	$425/450
Silver troy oz	495.85p	−38.90	498.20p
3 mths	514.15p	−46.25	513.70p
Tin Cash	£8240	−145	£8135
3 mths	£8267.5	−95	£8335
Tungsten22.01lb	$146.86	......	$145.43
Wolfrm 22.04lbs	$144/148	......	$144/148
Zinc Cash	£467.5	−34	£521.5
3 mths	£485.25	−34.25	£535.25
Producers	$1000	......	$925/1000
Oils			
Coconut (Phil)	$535x	......	$560
Groundnut	‡	......	‡
Linseed Crude	£420	......	£432
Palm Malayan	$500y	−7.5	$505
Seeds			
Copra Philip	$336z	......	$360
Soyabean (U.S.)	$263z	−3	$279
Grains			
Barley Fut Jan	£104.40	−0.7	£102.20
Maize	£127.50w	......	£126
Wheat Fut Jan	£110.50	0.5	£109.25
No2 HardWint	‡	......	£116.50
Other commodities			
Cocoa ship't*	£1,408	+17	£1,229
Future Dec	£1312.5	+17	£1,231
Coffee Ft' Nov	£1082	2.5	£902.5
Cotton A.Index	75.20c	−0.3	78.30c
Gas Oil Oct	$303.75	+0.5	$305
Rubber (kilo)	54p	......	58.5p
Sugar (Raw)	£172wy	1	£179
Woolt'ps 64s kl.	400p kilo	+2	392pkilo

‡ Unquoted. z Oct. y Nov. x Oct.-Nov. w Sept-Oct. † Per 76-lb flask. * Ghana cocoa. n Nominal.

AMERICAN MARKETS

NEW YORK, Sept 28.

ALL MARKETS opened under severe pressure, reflecting stock market concern, but when the "Black Monday" panic liquidation failed to develop, all markets rallied sharply. Most commodities finished mixed or moderately lower. Metals finished with losses only about half as bad as early trading indicated. Only sugar recorded gains in response to better gold levels and a deteriorating crop condition in North East Brazil, reported Heinold.

Copper—Oct 74.50 (75.15) Nov 75.00 (76.20), Dec 76.60-76.70, Jan 77.73, March 79.05-79.90, May 81.20-81.80, July 83.60, Sept 84.80, Dec 87.70, Jan 88.50, March 90.10, May 91.70, July 93.30.

*Gold—Oct 430.0-432.0 (429.9), Nov 425.3 (425.8), Dec 441.0-442.5, Feb 452.0-454.5, April 466.3, June 478.0, Aug 491.8, Oct 504.9, Dec 518.2, Feb 531.5, April 544.9, June 558.4.

*Platinum—Oct 400.0 (393.0), Jan 414.0-410.5 (307.2), April 432.0, July 448.3, Oct 475.0.

Potatoes (round whites)—Nov 72.2 (72.2), Feb 83.5-84.8 (83.0), March 86.4-87.0, April 101.0-101.4. Sales: 996.

¶Silver—Oct 887.0-890.0 (896.5), Nov 895.0 (909.0), Dec 896.0-912.0, Jan 919.0, March 947.0, May 965.0-970.0, July 995.0, Sept 1019.0, Dec 1055.0, Jan 1067.0, March 1091.0, May 1115.0, July 1139.0. Handy and Harman bullion spot: 875.00 (905.00).

Sugar—No. 11: Oct 13.00-13.05 (11.98), Jan 12.85-12.90 (12.30), March 13.40-13.45, May 13.70, July 13.97-14.00, Sept 14.20-14.25, Oct 14.37-14.40, Jan 14.55. Sales: 12,760.

CHICAGO, September 28.

Live Cattle—Oct 65.30-65.35 (65.77), Dec 66.30-66.20 (66.40), Feb 64.15-64.10, April 64.55-64.35, June 65.65-65.50, Aug 65.50, Oct 64.00.

Live Hogs—Oct 48.20-48.05 (48.55), Dec 50.25-50.15 (50.70), Feb 49.25-49.50, April 46.40-46.30, June 49.05, July 49.30-49.47, Aug 48.27, Oct 47.40, Dec 49.20.

‡‡Maize—Dec 285¾-285¼ (287), March 304-303¼ (304¼), May 315-314½, July 321¾-322, Sept 324½-324¾, Dec 327¾-328.

Pork Bellies—Feb 64.10-63.90 (63.52), March 63.70-64.00 (63.60), May 65.10-65.20, July 66.12, Aug 65.65.

†Soyabeans—Nov 643-644 (646½), Jan 665-666 (668¾), March 688½, May 711½-711, July 730½-731, Aug 735-734½, Sept 738, Nov 746½, Jan 762½.

‖Soyabean Meal—Oct 181.2-181.3 (181.9), Dec 188.1-188.3 (188.7), Jan 192.5-192.8, March 199.0-199.5, May 206.0, July 212.0-211.5, Aug 213.7-214.0, Sept 216.0-217.0, Oct 217.5-218.0, Dec 219.5-220.0.

Soyabean Oil—Oct 19.98 (20.14), Dec 20.83-20.81 (20.98), Jan 21.25, March 22.05, May 22.55-22.60, July 23.20, Aug 23.35-23.40, Sept 23.35-23.40, Oct 23.35-23.40, Dec 23.84-23.85.

†Wheat—Dec 425½-426 (424¼), March 450, May 456, July 451½, Dec 478½.

WINNIPEG, September 28.

§Barley—Oct 124.50 (124.80), Dec 120.10 (120.70), March 124.00, May 128.00, July 130.30.

§Wheat—SCRWS 13.5 per cent protein content cif St Lawrence 237.54 (237.99).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lb). § $Can. per metric ton. §§ $ per 1,000 sq ft. ‡ Cents per dozen. †† $ per metric ton.

EUROPEAN MARKETS

PARIS, Sept 28.

Cocoa—(FFr per 100 kilos): Sept 1250/1265, Dec 1309/1312, Mar 1330/1340, May 1345/1355, July 1355 bid, Sept 1370/1390, Dec 1390/1410. Sales at call: nil.

Sugar—(FFr per tonne): Nov 1770/1820, Dec 1860/1870, Mar 1940/1949, May 1975/2000, July 1980/2020, Aug 2010/2060, Oct 2020/2070, Nov 2020/2070. Sales at call: nil.

ROTTERDAM, Sept 28.

Wheat—(U.S. $ per tonne): U.S. No. 2 Dark Hard Winter, 13.5 per cent: Oct 201, Nov 203, Dec 208, Jan 212, Feb 214, March 218. U.S. No. 2 Red Winter: Oct 180, Nov 184. U.S. No. 3 Amber Durum: Sept 190, Oct 189.50, Nov 195, Dec 200, April-May 205. U.S. No. 2 Northern Spring, 14 per cent: Oct 187.50, Nov 191, Dec 195.

Maize—(U.S. $ per tonne): U.S. No. 3 Corn Yellow: Afloat 134, Sept 134, Oct 129.50, Nov 130, Dec 134, Jan-March 140.25, April-June 146.

Soyabeans—(U.S. $ per tonne): U.S. No. 2 Yellow Gulfports. Oct-Nov 255.75, Dec 261, Jan 267.50, Feb 273, March 277.75, April 282, May 285.15, sellers tradeless.

Soyameal—(U.S. $ per tonne): 44 per cent protein U.S.: Oct 227.50 traded, afloat 222, Sept 224.50, Oct 227.50, Nov 220, Dec 224.50, Nov-March 243.50 sellers. Brazil Pellets: Afloat 256, Sept 251, Oct 246, Nov 248, Dec 250, Nov-March 258.50 sellers.

INDICES

FINANCIAL TIMES

Sept. 25	Sept. 24	Month ago	Year ago
260.80	259.08	257.64	272.78

(Base: July 1, 1952=100).

DOW JONES

Dow Jones	Sep. 25	Sept. 24	Month ago	Year ago
Spot	351.34	350.08	353.51	458.35
Fut'rs	371.21	369.56	367.71	476.97

(Average 1924-25-26=100)

MOODY'S

Sept. 25	Sep. 24	Month ago	Year ago
1013.4	1018.1	1028.2	1308.9

(December 31, 1931=100)

REUTERS

Sep. 28	Sep. 25	M'nth ago	Year ago
1668.4	1674.5	1674.5	1746.1

(Base: September 18, 1931=100)

Indian cashew nut plan

INDIA expects to promote about 6,000 hectares of land in the Philippines towards growing about 5,000 tonnes of raw cashew nuts per year, an Indian trade official said.

India, facing difficulties in importing raw nuts from traditional African suppliers, proposed a joint venture to grow cashew in the Philippines, according to the managing director of the Cashew Corporation of India (CCI).

Under the proposal, India will offer technology and management of the plantations with a guarantee from the Philippines that the produce will be exported to India, he said. Reuter

Slump continues but noon fall of 29.4 in equity index finally reduced to 17.2—Gilts and Golds also weaken

Account Dealing Dates
Option

*First Dealings	Declara-tions	Last Dealings	Account Day
Sept 14	Sept 24	Sept 25	Oct 5
Sept 28	Oct 8	Oct 9	Oct 19
Oct 12	Oct 22	Oct 23	Nov 2

* "New-time" dealings may take place from 9.30 am two business days earlier.

London equity markets suffered another major setback yesterday at the start of a new trading Account. At mid-day, leading shares were in free fall with the FT Industrial Ordinary share index recording a dramatic fall of 29.4, the heaviest inter-day loss ever recorded, apart from a special 9.30 assessment on March 1 1974, when the index was calculated some 32.8 lower.

However, a technical rally developed later and the index staged a welcome recovery on the back of a similar movement in early Wall Street trading to close a net 17.2 down at 457.5. This represents a drop of 95.9, or 17.3 per cent, since the Bank of England initiated a rise in interest rates just 11 days ago.

A gloomy weekend Press on world financial market trends coupled with overnight despondency *in Far Eastern and* Australian centres ensured a continuation of the downslide here. An opening mark-down failed to deter professional liquidation and persistent nervous offerings from private investors.

Values slumped alarmingly *with popular shares such as* GEC down around 38, but this proved to be the lowest of the day. A subsequent rally, fuelled by a U.S. prime rate reduction to 19 per cent, began to develop. Lower opening Wall Street values checked the recovery for a while, but London *subsequently fed off the U.S. market's* later rally.

Although recent high-fliers in the Electrical sector were prominent casualties among leading industrials, falls stretching to 40 were recorded in some secondary issues. This widespread overall slump in values was measured by a fresh setback in the FT-Actuaries All-Share index of 4.7 per cent to 265.85.

Worries about the unabating pressures for higher short-term interest rates and concern about future Government funding took a toll on the Gilt-edged market. Short- and long-dated stocks remained vulnerable, and revived selling in sensitive trading conditions brought fresh *falls ranging to 1¼ before a late* technical rally left net losses of a point. The shorts closed around ½ easier, and the Government *securities index*, down 0.66 more at 60.45, moved nearer to a five-year low.

The Traded options market *was understandably* active and 3,408 deals were arranged, comprising 1,617 calls and 1,791 puts—only the second time that the latter have been in the majority. **Lonrho** and **Racal** attracted 478 and 543 puts respectively.

Banks rally late

Despite talk of a fresh hike soon in base lending rates, the major clearing banks were initially showing falls of up to 30. However, a later rally helped more than halve the losses and **Barclays** ended 16 off at 382p, after 370p. **Lloyds** finished 13 *down at 352p, after 340p*, and **Midland** similarly easier at 292p, after 280p. **NatWest** dipped 10 to 345p, after 338p. Elsewhere, **Bank of Scotland** lost 12 to 398p and **Royal Bank of Scotland** 18 to 132p. The prospect of dearer money continued to depress Hire Purchases. **FNFC** *fell a further 3½ to 20p and* **Wagon Finance** gave up a like amount at 37p. **Cattles Holdings** plummeted 4½ to 14½p and **Provident Financial** lost 5 to 93p.

Life issues were among the major casualties in Insurances. **Hambro Life** ran back 31 to 322p and **Pearl** lost 18 to 368p. Composites *rallied* after-hours, *but* **Sun Alliance** still ended 40 lower at 795p, after 775p, and **General Accident** 20 down at 354p.

Leading Breweries rallied during after-hours trading but still retained falls to 7. Sentiment in Wines and Spirits was not helped by forecasts of reduced whisky sales. **Distillers** fell 10 to 176p, while **Arthur Bell** gave up 4 at 110p; the latter's annual results are expected *today*.

Buildings were thoroughly depressed at one stage, but selected leaders staged a modest *late rally. Blue Circle dropped* to 430p before closing 18 down at 436p, while **Tarmac** ended 19 off at 340p xd. **Ready Mixed** *Concrete lost 21 to 156p* ahead of today's interim results, while **BPB Industries** gave up 17 at 228p. News of a £12.4m Swiss *contract* failed to support **Wimpey** which shed 9 to 82p. **Costain** were prominent with a loss of 14 at 206p, as were **Taylor Woodrow**, which declined 30 to 480p. **Fairclough Construction**, 104p, **Robert M. Douglas**, 90p, and **SGB**, 120p, all shed 12, while **Burnett and Hallamshire** declined 100 to 800p.

After opening at 242p, **ICI** reacted to 234p, before rallying well to close unchanged on the day at 250p. **Brent Chemicals** gave up 7 to 93p despite increased interim profits.

Leading Stores rallied strongly during the afternoon. **Gussies "A,"** down to 355p earlier, recovered to close 15 lower on balance at 370p, while **UDS** *rallied to end unchanged at 64p*, after 61p. **House of Fraser**, 134p, and **W. H. Smith**, 140p, remained at the lower levels, sustaining losses of 9 and 11 respectively. Secondary counters also displayed a slightly firmer tone after-hours. **Cornell Dresses** ended 15 off at 98p, after 85p, *while* **Polly Peck** *shed 28 to 197p*, after 190p. **Wearwell** closed 9 down at 59p. Electrical retailers showed substantial falls, notably, **Dixons**, 115p, **Currys**, 148p, and **Comet**, 98p, all down between 9 and 17. **Martin the Newsagent**, 190p, and **NSS**, 135p, fell 36 and 10 respectively. News of the proposed merger between *footwear* concerns **George Oliver** and **Hiltons** failed to lift either; **Oliver** closed 11 lower at 85p xd, *while* **Hiltons**, *which also* revealed a first-half loss, finished 12 down at 70p, after 65p.

Heavily sold and down by as much as 38 in the first hour or so of trading, the Electrical leaders staged a good recovery and closed with falls ranging to 15. **Thorn EMI** lost that much at 392p, *after 377p*, while *GEC* picked up from a day's low of 615p to 640p, down only 13 on balance. **Racal** shed 12 to 365p, after 353p, and **Plessey** only 4 cheaper at 299p, after 287p; the latter has won a £30m contract to supply several thousand PVS-1410 VHF tank radios to the Middle East. Secondary issues collapsed. **Farnell** dropped 38 to 370p as did **United Scientific**, to 360p, while **Quest Auto**-*mation shed 33 to 130p.*

Marked strength in **Hallite** helped relieve the gloom in a depressed Engineering sector. **Hallite** jumped to 200p before closing 53 higher at 186p following a raid by stockbrokers Laurie Millbank which acquired a near-15 per cent shareholding in the group, at 200p per share, for an undisclosed client. Elsewhere, renewed nervous selling in an unwilling market brought *fresh falls of up to 12 in the* leaders. **Hawker** fell that much to 262p, while **GKN** gave up 6 at 139p xd as did **Tubes**, at 110p. *Ahead of Thursday's interim* figures, **Vickers** lost 5 at 141p, after 138p. Elsewhere, double-figure falls were commonplace. **Haden** *fell 26 to 172p*, **Martonair** 20 to 220p, and **G. M. Firth** 19 to 126p. A firm market last Friday on details of a £1.25bn Indian *steelworks order*, **Davy Corporation** reacted 14 to 137p.

Associated Dairies led the decline in Food Retailers, dropping to 144p before settling a net 10 down at 150p. **J. Sainsbury** shed 12 to 385p, **Kwik Save** 7 to 179p, and **Bejam** 8 to 10p. Other notable falls included **United Biscuits**, which declined 9 to 98p.

Renewed selling left its mark on leading Hotels and Caterers where **Grand Metropolitan** gave up 6 at 158p. **Ladbroke**, 119p, and **Trusthouse Forte**, 102p, both shed 7. Amnog secondary issues, **Prince of Wales** were particu*larly weak at 40p, down 17.*

Misc. Inds. flat

Closing falls in miscellaneous *Industrials* ranged to 40. The leaders staged a late rally but **Glaxo** still sustained a loss of 22 at 338p, after 330p. **Pilkington** ended 35 lower at 245p and **Reed International** fell 23 at 210p. Elsewhere, **Royal Worcester** plummeted 40 to 140p, **Hunting Associated** dipped 35 to 230p and **Ricardo** 30 to 375p. **Office and Electronic**, with interim figures due on Thursday, ended 35 off at 250p. Despite the reduced first-half deficit, **Lesney** gave up 2 to 13p. Australia's **BHP** fell 65 to 640p.

Motor Components succumbed to more persistent selling. **Lucas** ended 9 lower at 184p, after 181p, and **Dowty** similarly cheaper at *202p*. **Flight Refuelling** *shed 20* more to 260p, while **Kwik-Fit** declined 14 to 65p. In sharp contrast, **Brown Brothers** firmed *2½ to 27½p, still 2½* below the revised cash offer terms from parent company Dana, which were announced late on Friday. **Lotus** fell 6 to 20p.

Newspapers closed with sizeable falls across the board. **Associated Book Publishers**, interim Thursday, fell 38 to 260p, while the increased profits and dividend failed to support **Link House**, 15 cheaper at 195p.

Properties were one of the hardest hit sectors on fears of a further rise in interest rates. The leaders, however, staged a useful late rally and **Land Securities** closed a net 8 cheaper at 260p, after 250p. **MEPC** reacted to 182p before settling 9 down on balance at 187p. **Hammerson "A"** ended 20 lower 500p and **Haslemere Estates** 24 off at 344p. **Peachey**, 117p, and **Scottish Metropolitan**, 90p, shed 7 apiece, while **Slough Estates** gave up *10 to 103p.*

Oils reacted sharply initially but were comforted later by Wall Street trends and the leaders closed little changed on the day. **British Petroleum** finished just 2 cheaper on balance at 252p, after 240p, while **Shell** closed only 1½ easier on balance at 314p xd, after 300p xd. The majority of secondary issues also staged a late recovery, but **Berkeley Exploration** remained depressed at 207p, down 53p.

Invstment Trusts rected on heavy selling and ended with *falls extending to 53.* **Gresham House** dropped that much to 165p xd, while losses of around 30 were sustained by **Atlantic Assets**, 200p, **RIT**, 296p, and **Dualvest Capital**, 402p. Financials were similarly affected. **Mercantile House**, 310p, and **Aitken Hume**, 140p, fell 35 and 25 respectively.

A $23.50 fall in the bullion price to $423 an ounce, heavy losses in other precious and base-metal prices and the general collapse of worldwide stock markets lel to the mining market suffering one of its worst ever trading sessions.

South African Golds led the collapse with the Gold Mines index dropping a record 44.0 to 354.3—its fourth successive decline and its lowest level since mid-August.

The lion's share of the selling came *from London operators* although heavy offerings were reported from the Continent and the U.S. The after-hours' brought a minor respite but the market remained extremely nervout and volatile.

The heavyweights sustained losses ranging to £3 and some*times more, as in Vaal Reefs,* £35½, and "Amgold," £46½.

Financials mirrored the overall trend with London stocks particularly vulnerable. **Rio Tinto-Zinc** fell a net 22 to 450p, after a day's low of 435p and **Gold Fields** gave up 31 to 433p ex-dividend, after 423p.

In South Africans **Anglo American Corporation** showed a 60 decline at 700p and **UC Investments** lost a like amount to 600p.

An initial mark-down of *Australians, heavily sold in over*night Sydney and Melbourne markets, failed to deter London sellers. Jobbers reported widespread and persistent offerings throughout the day with closing prices easily the day's lowest.

FINANCIAL TIMES STOCK INDICES

	Sept. 28	Sept. 25	Sept. 24	Sept. 23	Sept. 22	Sept. 21	A year ago
Government Secs.	60.45	61.11	61.29	62.10	62.55	62.23	69.74
Fixed Interest	61.94	62.76	63.28	64.05	64.13	64.15	71.35
Industrial Ord.	457.5	474.7	489.1	494.8	515.3	506.9	476.8
Gold Mines	354.3	398.3	401.2	411.0	416.3	401.1	497.9
Ord. Div. Yield	6.57	6.35	6.13	6.11	5.86	5.96	7.72
Earnings, Yld. % (full)	11.21	10.82	10.67	10.60	10.18	10.32	17.41
P/E Ratio (net) (*)	11.44	11.85	11.97	12.05	12.55	12.37	7.03
Total bargains	29,523	27,323	27,267	17,931	18,309	18,260	19,202
Equity turnover £m.	—	199.99	217.54	131.76	177.29	141.36	106.75
Equity bargains	—	33,892	25,728	14,633	14,865	16,629	18,884

10 am 451.1. 11 am 452.8. Noon 445.3. 1 pm 447.6.
2 pm 450.4. 3 pm 452.7.

Latest Index 01-246 8026.

*Nil = 10.16.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS

	1981 High	1981 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	70.61 (20/5)	60.45 (28/9)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	72.01 (20/5)	61.94 (28/9)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	597.3 (30/4)	446.0 (14/1)	597.3 (30/4/81)	49.4 (26/6/40)
Gold Mines	429.0 (14/8)	262.6 (29/6)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	Sept. 25	Sept. 24
—Daily		
Gilt Edged Bargains	151.3	164.4
Equities		
Bargains	164.8	166.7
Value	404.1	439.7
5-day Avrge.		
Gilt-Edged Bargains		
Equities	166.6	158.0
Bargains	122.5	107.9
Value	350.8	322.3

NEW HIGHS AND LOWS FOR 1981

The following quotations in the Share Information Service yesterday attained new Highs and Lows for 1981.

NEW HIGHS (1)

ENGINEERING (1)
Hallite

NEW LOWS (852)

BRITISH FUNDS (79)
INT. BK. & O'SEAS GOVT. STLG ISS. (3)
CORPORATION LOANS (13)
COM'WEALTH & AFRICAN LOANS (2)
LOANS (7)
FOREIGN BONDS (4)
AMERICANS (11)
CANADIANS (3)
BANKS (31)
BEERS (10)
BUILDINGS (28)
CHEMICALS (4)
DRAPERY & STORES (43)
ELECTRICALS (32)
ENGINEERING (55)
FOODS (13)
HOTELS (8)
INDUSTRIALS (121)
INSURANCE (4)
LEISURE (12)
MOTORS (20)
NEWSPAPERS (7)
PAPER (5)
PROPERTY (65)
SHIPPING (12)
SHOES (2)
SOUTH AFRICANS (1)
TEXTILES (6)
TOBACCOS (1)
TRUSTS (150)
OIL & GAS (60)
OVERSEAS TRADERS (5)
RUBBERS (5)
TEAS (3)
MINES (29)

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	—	91	1
Corpns. Dom. and Foreign Bonds	1	48	21
Industrials	38	1,032	304
Financial and Prop.	6	410	87
Oils	3	88	12
Plantations	—	14	9
Mines	2	120	45
Others	15	112	75
Totals	63	1,915	554

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price Pence	Day's change	Stock	Closing price Pence	Day's change
Blue Circle	436	−18	Gus A	370	−15
Bowater	196xd	− 8	Land Sec.	260	− 8
De Beers Defd.	342xd	−31	Plessey	299	− 4
GEC	640	−13	Reed Int.	210	−23
Glaxo	338	−22	RTZ	450	−22
Grand Met.	158	− 6	Unilever	520	−18

FRIDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of price changes	Friday's closing price pence	Day's change	Stock	No. of price changes	Friday's closing price pence	Day's change
GEC	39	653	−25	Shell Trans.	25	324	−12
RTZ	34	472	−18	Beecham	24	180	−11
Plessey	31	303	−17	ICI	24	250	−14
KCA Int.	29	100	− 1	Premier Cons.	24	48	− 2
BP	27	254	−10	Land Sec.	23	268	−16
Racal Elec.	27	377	−18	Ultramar	23	400	−15
Sainsbury (J.)	25	397	−13	Howden (A.)	22	135	− 5

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Sept 21	Oct 2	Dec 21	Jan 4
Oct 5	Oct 16	Jan 7	Jan 18
Oct 19	Oct 30	Jan 21	Feb 1

For rate indications see end of Share Information Service

Call options were taken out in Town and City Properties, Premier Oil, Associated Communications, Britannia Arrow, Lonrho, Candecca, Charterhall, Cope Allman, Intervision, Dunlop, GEC, Central Pacific Minerals, French Kier, Carless Capel, Suter Electrical, United Biscuits, Beecham, Sears, KCA International, British Land, British Aerospace, Tozer Kemsley and Millbourn, BP, Singlo, British Mohair Spinners and North West Mining. Puts were struck in Whessoe, Blue Circle, Lucas, Hawker Siddeley, Town and City Properties, Premier Oil, ICI, Land Securities, Hongkong Banking, House of Fraser, Haden and Burmah. Double options were arranged in BP, ICI, NCC, Town and City, Brown and Jackson, British Land, Amalgamated Metal, Woodside, FNFC and RTZ.

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Mon., Sept. 28, 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Fri. Sept. 25 Index No.	Thurs. Sept. 24 Index No.	Wed. Sept. 23 Index No.	Tues. Sept. 22 Index No.	Year ago (approx.) Index No.
1	**CAPITAL GOODS (214)**	294.08	−5.2	12.09	5.38	10.22	310.22	315.36	325.80	336.41	278.22
2	Building Materials (25)	259.17	−6.9	17.60	6.61	6.48	278.26	276.82	289.79	297.33	249.37
3	Contracting, Construction (28)	451.60	−8.1	21.00	6.32	5.53	491.20	493.57	529.56	544.82	415.07
4	Electricals (30)	987.19	−2.9	9.14	2.87	13.67	1017.12	1052.93	1068.39	1104.62	848.83
5	Engineering Contractors (10)	391.31	−8.7	16.22	6.98	7.29	428.44	423.65	452.97	462.85	337.42
6	Mechanical Engineering (69)	165.29	−5.6	14.06	6.87	9.21	175.08	178.06	184.07	191.65	175.88
8	Metals and Metal Forming (13)	135.93	−7.4	10.60	8.72	12.78	146.82	146.81	152.68	157.53	155.78
9	Motors (21)	84.06	−6.7	—	8.01	—	90.13	91.69	96.09	99.59	96.52
10	Other Industrial Materials (18)	309.03	−6.2	10.74	7.32	11.35	329.41	329.54	342.28	351.96	0.00
21	**CONSUMER GROUP (195)**	233.55	−4.4	14.90	6.92	8.28	244.22	249.22	255.15	265.08	237.94
22	Brewers and Distillers (20)	250.17	−3.9	17.87	7.71	6.73	260.27	265.34	268.17	279.10	283.62
25	Food Manufacturing (21)	223.49	−4.7	17.72	7.53	6.81	234.60	237.91	244.95	251.62	218.75
26	Food Retailing (14)	446.45	−4.3	11.13	3.98	10.77	466.63	482.59	503.03	519.29	388.59
27	Health and Household Products (7)	285.32	−3.5	9.71	5.18	12.30	295.81	306.98	308.00	323.22	233.13
29	Leisure (22)	355.04	−6.4	11.22	6.20	11.07	379.22	385.09	398.87	414.73	338.86
32	Newspapers, *Publishing* (12)	414.73	−6.1	14.83	7.15	9.66	441.72	447.69	459.51	474.20	442.32
33	Packaging and Paper (13)	115.73	−7.4	16.67	9.20	7.25	125.01	127.18	128.69	133.44	126.38
34	Stores (44)	214.80	−3.6	13.47	6.20	9.90	222.90	227.89	234.45	243.44	233.58
35	Textiles (23)	132.61	−4.3	9.38	7.01	14.95	138.62	139.56	146.46	150.16	118.87
36	Tobaccos (3)	228.92	−3.8	24.84	11.37	4.64	238.00	240.47	241.70	257.53	220.38
39	Other Consumer (16)	229.84	−5.8	5.64	7.35	40.28	243.91	247.44	261.81	266.12	0.00
41	**OTHER GROUPS (79)**	191.89	−3.9	12.93	7.41	9.90	199.77	204.11	210.62	216.65	219.36
42	Chemicals (15)	252.89	−1.8	6.34	7.12	26.37	257.53	269.41	269.68	279.78	301.44
44	Office Equipment (5)	95.19	−4.5	17.94	8.98	6.70	99.69	99.56	100.99	103.02	97.81
45	Shipping and Transport (13)	438.18	−4.4	24.63	8.51	4.83	449.84	459.89	480.64	487.90	563.21
46	Miscellaneous (46)	240.93	−6.2	15.64	6.99	7.75	256.74	256.52	274.18	280.97	275.99
49	**INDUSTRIAL GROUP (488)**	248.39	−4.6	13.58	6.40	9.12	260.47	265.45	272.98	282.59	258.89
51	Oils (12)	588.96	−2.2	24.62	9.77	4.60	601.95	624.33	626.81	661.81	837.01
59	**500 SHARE INDEX**	276.00	−4.2	15.43	6.96	7.83	288.19	294.56	301.71	313.35	297.30
61	**FINANCIAL GROUP (119)**	223.02	−5.4	—	6.81	—	235.75	239.73	247.77	254.55	247.74
62	Banks (6)	235.49	−4.5	37.92	7.99	3.10	246.55	249.59	260.68	266.76	249.86
63	Discount Houses (10)	235.33	−4.5	—	9.63	—	246.29	250.17	250.92	251.89	291.30
64	Hire Purchase (3)	186.09	−7.4	16.72	9.94	8.28	201.06	206.06	219.77	220.32	221.98
65	Insurance (Life) (10)	243.49	−4.7	—	6.51	—	255.61	259.36	264.44	272.72	257.79
66	Insurance (Composite) (9)	150.83	−4.7	—	8.87	—	158.23	159.83	161.82	166.81	176.18
67	Insurance Brokers (8)	370.66	−6.1	12.21	6.49	11.12	394.88	393.98	407.06	415.95	334.08
68	*Merchant* Banks (13)	127.53	−9.4	—	6.31	—	140.69	148.93	151.03	151.71	144.21
69	Property (50)	377.11	−5.5	5.11	3.77	26.47	399.01	414.08	430.50	445.53	452.95
70	Miscellaneous (10)	145.06	−8.9	22.24	7.68	5.48	159.25	160.45	169.44	170.79	152.49
71	Investment Trusts (109)	257.70	−6.9	—	6.20	—	276.84	279.48	290.04	293.76	271.69
81	Mining Finance (3)	221.25	−6.6	14.82	6.43	8.09	236.91	243.38	246.34	256.42	268.13
91	Overseas Traders (19)	369.85	−3.6	12.60	8.04	10.12	383.53	379.42	404.57	414.41	457.57
99	**ALL-SHARE INDEX (750)**	265.85	−4.7	—	6.90	—	278.87	284.38	292.17	302.28	289.58

FIXED INTEREST

	PRICE INDICES	Mon. Sept. 28	Day's change %	Fri. Sept. 25	xd adj. today	xd adj. 1981 to date
	British Government					
1	5 years	104.23	−0.32	104.56	—	7.82
2	5-15 years	97.04	−1.12	98.06	0.71	10.01
3	Over 15 years	98.19	−1.26	99.45	—	10.50
4	Irredeemables	105.73	−1.41	107.24	—	9.05
5	All Stocks	99.48	−0.90	100.62	0.24	9.38
6	*Debentures & Loans*	76.00	−0.72	77.15	0.51	8.18
7	*Preference*	59.85	−2.06	60.63	0.33	5.73

	AVERAGE GROSS REDEMPTION YIELDS		Mon. Sept. 28	Fri. Sept. 25	Year ago (approx.)
	British Government				
1	Low	5 years	13.93	13.69	11.80
2	Coupons	15 years	14.38	14.17	11.79
3		25 years	14.47	14.26	11.79
4	Medium	5 years	16.14	15.94	13.22
5	Coupons	15 years	16.39	16.15	13.41
6		25 years	15.90	15.68	13.17
7	High	5 years	16.13	15.92	13.34
8	Coupons	15 years	16.52	16.31	13.65
9		25 years	16.08	15.89	13.40
10	Irredeemables†		14.20	13.99	11.38
11	Debs & Loans	5 years	17.37	16.91	14.14
12		15 years	17.30	17.05	14.00
13		25 years	17.29	17.07	13.86
14	Preference†		16.77	16.33	14.50

† Flat yield. Highs and lows record, base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 26½p.

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price p	+ or −	Div. p. or amount	Times covered	Gross yield	P.E. ratio
153	F.P.	21/8	172	115	✱Aerospace Eng.	115	−5	bd7.5	1.4	9.3	10.6
—	F.P.	14/8	8	6	✱Hartons 5p	7	......	—	—	—	—
25	F.P.	18/9	28	25	JapanAssetsTrust 10p	25	......	—	—	—	—
62	F.P.	2/10	56½	48	Jeavans Eng.	48	......	b3.75	1.7	11.2	6.3
28	F.P.	—	29	25	✱Lon. Private Health	25	−2	—	—	—	—
§100	F.P.	30/10	102	98	MarineAdv.SailTst. £1	98	......	—	—	—	—
[illegible]	F.P.	20/8	125	100	✱Newcourt Oil	100	......	—	—	—	—
—	F.P.	—	180	171	Nippon Electric	171	......	Q525%	2.9	0.9	57.8
100	F.P.	—	*102*	98	*Precious Metals Tst.*	*98*	......	—	—	—	—
—	F.P.	18/9	14	10	Stewart Ent. Warrs.	11	......	—	—	—	—
82	F.P.	28/8	120	108	St'ckhold'rsF.E.Inv $1	108	......	—	—	—	—
56	F.P.	7/9	92	75	✱Thorpac	75	−1	b1.82	3.7	3.5	9.8
—	F.P.	—	165	155	✱UtdFrd'lyIns.B.R.V.	158	−7	h6.25	—	5.7	—
§15	F.P.	25/9	17½	8	✱WillaireSystems 10p	8	−1	—	—	—	—
[illegible]	F.P.	11/9	15	7	Do. Rest. Div. 10p	7	−1	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price £	+ or −
[illegible]	F.P.	—	127	110	Amal Dist. Products 10 Cv. Ln. '97	110	......
100	£40	20/10	38⅞	37½	Birmingham Drop-Lock '86/93	37½	−1
100‖	F.P.	7/8	112¼	82	*Chloride 7½% Conv. Prf.*	82	−6
¶	F.P.	24/9	101	98½	East Surrey Water 10% Prf. 1986	98½	−1½
100‖	F.P.	28/8	113	96	Hanson Trust 9½% Cv. Uns. Ln. 2000-5	96	−5½
**	F.P.	—	99½	96½	Hawley Leisure 12½% Cum. Pref.	96½	......
98½	£25	12/11	25¾	20	Inco 15¾% Uns. Ln. 2006	20	−1½
100‖	F.P.	12/8	124½	95	Jones (Edward) 15% Cnv. Uns. Ln. '96-98	95	......
‡100	F.P.	—	*100⅛*	98	*Nat'wide Bdg Society 14⅞% Bds (25/8/82)*	*98*	−¼
‡100	F.P.	—	99¾	98¾	Do. 15⅛% Bds (29/9/82)	99	+¼
100	£10	—	101	100¼	Portsmouth 10% Prf. 1986	100¼	......
¶5	F.P.	21/9	95p	65p	Sterling Credit 3.5% Cnv. Red. Pref.	65p	......
—	—	—	1¾p	½p	Do. Warrants	1¾p	......
97.33	£30	—	29⅜	27	Utd. Mexican States 16¼% Ln. 2008	27¼	−1¼
100¼p‖	F.P.	11/8	100⅛p	60p	'W' Ribbons 10% Cum. Red. Prf. '95-96.	60p	......
¶100	F.P.	24/9	101½	100½	York Waterworks 10% Red. Pref. '85	100½	−½

"RIGHTS" OFFERS

Issue price p	Am'unt paid up	Latest Renunc. date ●	Latest Renunc. date ■	1981 High	1981 Low	Stock	Closing price p	+ or −
60	F.P.	24/9	15/10	84	62	Amal. Dist. Products	62	−8
10	Nil	9/10	11/11	5½pm	½pm	Astra Ind.	½pm	......
225	Nil	2/10	6/11	44pm	4pm	BICC	4pm	−7
275	125p	13/7	2/12	182	104	BP	104	−14
76	Nil	—	—	2½pm	½pm	Brown (J)	½pm	−½
11	F.P.	28/8	30/9	15	9	Gartons	9	−2
62	F.P.	11/9	7/10	74½	60	*H.A.T. Group*	60	−4
12½	F.P.	9/10	18/9	30½	23	Jantar	23	......
131	F.P.	28/8	5/9	178	115	Ladbroke	115	−12
110	F.P.	7/9	19/10	133½	106	Laird Grp.	106	−7
35	F.P.	21/8	2/10	60	39	Lane (Percy)	39	−1
107	*Nil*	30/9	8/1	14pm	¼pm	*Morgan Crucible*	¼pm	......
‖	F.P.	—	—	5	2	New Court Nat.Res. War'ts.	5	−1
A51	P.P.	—	—	196	104	Pancontinental	104	−24
85	F.P.	16/9	19/11	135	100	Property Sec. Inv. [illegible]rt.	100	−30
112	F.P.	25/9	6/11	125	102	Trusthouse Forte	102	−8
360p	F.P.	9/9	9/10	550	359	Utd. Scientific	359	−41

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *u* Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimate for 1981. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "*rights*." ** *Issued by way of capitalisation.* §§ *Reintroduced.* ¶¶ *Issued in* connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ✱ Unlisted Securities Market. ‡‡ London Listing. ⁑ Effective issue price after scrip. † *Comprising 8 Ordinary and 3 Warrants.*

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Clive Investments (Jersey) Ltd.
P.O. Box 86, St. Peter Port, Guernsey. 0481 26521
C. H. Gilt Growth Fd.* [illegible]
Clive Gilt Fd. (C.I.) [illegible]
*Prices on September 24. Next dealing October 1.

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey
Intnl. Man. Fd. 228.0 248.0 −30.0 —

Cortexa International
10a, Boulevard Royal, Luxembourg.
Cortexa Intnl. [illegible] — −2.67 —

Craigmount Fixed Int. Mngrs. (Jersey)
P.O. Box 195, St. Helier, Jersey. 0534 27561
Gilt Fund (Jsy.) 86.4 86.5 ...... 15.62
Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Grueneburgweg 113, 6000 Frankfurt
Investa [illegible] 33.50 −0.70 —

Delta Group
P.O. Box 3012, Nassau, Bahamas
Delt. Inv. Sept. 22 [illegible] 3.51 ...... —
London Agents: Kleinwort Benson. Tel: 01-623 8000

Deutscher Investment-Trust
Postfach 2685 Biebergasse 6-10 6000 Frankfurt
Concentra [illegible] −0.35 —
Int. Rentenfonds [illegible] ...... —

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.
NAV Sept. 22 [illegible] 31.31 ...... —

Duncan Lawrie Inv. Mgt. (Jersey)
15-17, New St., St. Helier, Jersey 0534 73637
DL Sterling [illegible]
DL International [illegible]

[illegible]

Hill Samuel Investment Mgmt. Intnl.
P.O. Box 63, Jersey. 0534 76029
[illegible]

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey. 0481 26331
[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Am. Gth. Tst.	60.5	65.1	-1.0	2.23
Abbey Capital	41.2	44.4	-3.3	4.98
Abbey General	50.6	54.7	-3.1	5.61
Abbey Gilt & F.I. Tst.	93.0	97.9	-0.9	12.38
Abbey Income	32.8	35.3	-1.7	9.98
Abbey W'w.Bd.Tst.	103.1	109.2	-0.1	6.14
Abbey Inv. Ts. Fd.	46.5	50.3	-3.3	4.77
Boulias Prog. Tst.	73.5	79.5	-3.9	5.14

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314

AHR Gilt Trust	80.9	85.1	-0.7	14.10

Allied Hambro Ltd. (a) (g)
Hambro Hse., Hutton, Brentwood, Essex.
01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	77.0	82.4	-5.9	6.36
Brit. Inds. Fund	66.6	71.3	-4.1	7.49
Growth & Income	44.7	47.8	-3.7	5.23
Elect. & Ind. Dev.	39.8	42.6	-3.3	5.63
Allied Capital	84.8	91.0	-6.7	5.23
Hambro Fund	118.2	126.5	-7.6	6.34
Hambro Acc. Fund	165.3	176.9	-12.3	4.64
Income Funds				
High Yield Fd.	55.6	59.5	-4.5	10.08
High Income	71.5	76.5	-4.3	8.37
Equity Income Fd.	40.7	43.5	-2.8	8.48
Govt. Secs.	22.7	23.3	-0.3	13.30
International Funds				
International	36.1	38.6	-0.9	2.20
Japan Fund	29.0	31.0	-1.4	0.53
Pacific Fund	69.3	74.1	-5.3	1.40
Secs. Of America	81.9	87.7	-1.7	2.74
Specialist Funds				
Smaller Co.'s Fd.	48.6	52.0	-3.9	4.52
2nd Smlr. Co's Fd.	60.4	64.6	-4.3	4.60
Recovery	23.8	25.5	-2.1	5.53
Met. Min. & C'dty.	62.0	66.3	-2.8	5.54
Overseas Earnings	67.9	72.8	-3.9	5.65
Exempt Funds				
Income Exempt	47.2	49.6	-2.0	9.17
Far East Exempt	76.9	80.0	-4.2	1.40
Smaller Co. Exempt	83.9	89.1	-4.4	4.84
U.S.A. Exempt	132.3	137.6	-1.4	2.69

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 623 9231

Anderson U.T.	57.7	62.6	-9.9	3.93

Craigmount Unit Tst. Mgrs. Ltd.
Bucklersbury, London EC4N 8BD 01-248 4984

High Income	29.5	32.2	-1.4	16.14
North American	58.7	63.4	-2.2	2.69
Canadian Exempt*	68.7	72.7		3.17
Canadian Trust	56.5	61.0	-3.6	2.95
Mid Mount High Inc.*	43.1	45.4		10.57
Recovery	44.5	48.6	-2.4	8.85
Gilt Trust	37.2	38.9	-2.4	14.91

*Weekly dealing day Wednesday.

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	39.2	42.3	-1.5	0.59
Cres. Internat'l.	86.3	91.4	-3.0	1.61
Cres. High. Dist.	37.8	40.8	-3.2	11.03
Cres. Reserves	44.0	47.5	-3.3	6.32
Cres. Tokyo	39.1	42.2	-1.4	0.90

Dartington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon 0271 76324

Total Perf. Unit Tst.	23.0	24.7		7.85

Discretionary Unit Fund Managers
36/38 New Broad St., EC2M 1NU. 01-638 4485

Disc. Inc Sept. 25	224.1	239.1		5.61

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	19.8	20.9		8.30
Gt. Winchester O'seas	30.8	34.2		3.40

For Emson and Dudley see Robert Fraser Tst. Mgmnt.

Equity & Law Un. Tr. M. (a) (b) (c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	79.7	83.8	-5.4	5.38

Fidelity International Management Ltd.
20, Abchurch Lane, London EC4N 7AL 283 9911

American	36.1	39.2	-0.9	0.85
Amer. Spec. Sits.	26.1	28.8	-0.7	0.01
Gilt & Fixed Int.	20.9	21.7		14.45
Growth & Income	27.0	29.5		7.89
Max. Inc. Eq. Tst.	25.2	27.7		10.10
Special Sits.	30.9	33.1		1.52

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l.	38.1	40.9		1.36
Accum. Units	47.3	50.9		1.36
J. Finlay High Income	34.5	37.1		9.70
Finlay Wld. Energy	16.4	17.6	-0.8	1.66
Accum. Units	21.1	22.7	-1.0	1.66
J. Finlay Fd. In. Tst.	39.9	42.9		5.37
Accum. Units	51.7	55.6		5.37

Prices on Sept. 23. Next dealing Sept. 30.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ 01-628 5181

Amer. & Gen.	85.0	90.4	-3.2	1.00
(Accum. Units)	85.0	90.4	-3.2	1.00
Am. Turnaround	77.0	82.0	-2.8	2.06
(Accum. Units)	77.0	82.0	-2.8	2.06

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St. Mary Axe, EC3A 8BP 01-623 6114

Equity Accum. (2)	253.1	266.4		4.07

Local Authorities' Mutual Invest. Tst.
77, London Wall, EC2N 1DB 01-588 1815

Property Fd. Aug. 31	153.90			6.83
Wider Fund Aug. 31	296.75			4.76
Narrower Fd. Aug. 31	72.20			14.14

*Unauthorised. Available only to Local Authorities.

M & G Group (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

American	67.9	72.7	-2.6	2.60
(Accum. Units)	73.4	78.5	-3.0	2.60
American Recovery	71.7	76.7	-5.7	1.92
(Accum. Units)	74.1	79.3	-5.7	1.92
Australasian	84.6	90.5	-11.9	1.56
(Accum. Units)	89.9	96.1	-12.1	1.56
Commodity	125.5	135.6	-1.8	3.49
(Accum. Units)	149.0	160.9	-2.3	3.49
Compound Growth	166.4	181.4	-6.7	3.85
Conversion Growth	118.5	126.8	-0.3	2.55
Conversion Income	65.5	71.4	-3.6	10.14
Dividend	114.0	124.3	-5.9	10.90
(Accum. Units)	260.8	284.3	-13.6	10.90
European	57.4	63.9	-0.8	3.65
(Accum. Units)	66.1	71.1	-0.9	3.65
Extra Yield	72.1	78.6	-3.9	10.02
(Accum. Units)	121.4	132.3	-6.7	10.02
Far Eastern	107.4	114.9	-10.1	1.60
(Accum. Units)	123.7	132.4	-11.5	1.60
Fund of Inv. Tsts.	87.5	95.4	-2.4	4.92
(Accum. Units)	119.4	130.1	-3.5	4.92
General	214.9	233.0	-5.0	6.56
(Accum. Units)	379.5	408.8	-8.8	6.56
Gilt Income	42.2	44.3	-0.4	13.26
(Accum. Units)	44.8	47.0	-0.4	13.26
High Income	97.4	106.2	-4.9	10.26
(Accum. Units)	201.0	219.1	-10.0	10.26
Japan	182.7	195.5	-8.7	0.69
(Accum. Units)	192.2	205.7	-9.1	0.69
Magnum	303.6	324.8	-15.9	5.78
(Accum. Units)	427.3	457.2	-22.5	5.78
Midland	144.2	157.2	-6.5	9.64
(Accum. Units)	284.9	310.5	-12.9	9.64
Recovery	105.5	115.0	-6.4	5.48
(Accum. Units)	120.0	130.8	-7.1	5.48
Second General	237.2	255.0	-5.0	5.60
(Accum. Units)	402.2	432.4	-8.5	5.60
Smaller Companies	239.5	261.0	-9.6	4.73
(Accum. Units)	337.4	362.3	-13.2	4.73
Specialised Funds				
Trustee	148.7	162.1	-7.7	8.22
(Accum. Units)	346.0	377.3	-17.7	8.22
Charibond Sept. 22		87.7		14.49
Charifund Sept. 22	160.4	162.9		9.10

Schroder Unit Trust Managers Ltd.
46, St. Martin's Lane, WC2 Dealings 0705 27733

Capital	160.3	172.3	-9.6	2.72
(Accum. Units)	207.6	223.2	-12.2	2.72
Income Fnd	193.1	207.6	-14.4	9.40
(Accum. Units)	341.8	367.5	-25.4	9.40
Gen	119.5	129.4	-6.5	4.46
(Accum. Units)	164.3	176.6	-8.8	4.46
Europe	22.9	24.6	-0.2	2.85
(Accum. Units)	27.3	29.3	-0.3	2.85
Smaller Co.'s	134.8	144.9	-8.0	3.02
American	47.9	51.5	-2.6	0.70
(Accum. Units)	47.7	51.3	-2.6	0.70
Tokyo	53.4	57.6	-3.4	0.22
(Accum. Units)	53.6	57.6	-3.4	0.22
Gilt & Fixed	39.9	42.0	-0.7	13.69
(Accum. Units)	41.9	44.1	-0.8	13.69
Australian	51.4	55.8	-1.7	2.89
(Accum. Units)	51.7	56.1	-1.7	2.89
*Pn.&C. Fd. Sept. 22	241.4	254.5		4.72
*Recovery Sept. 15	314.9	331.8		4.83
*Spec. Ex. Sept. 15	497.1	517.7		2.19
Euro Exempt. Sept. 24	114.9	123.5		2.23

*For tax exempt funds only.

Scottish Amicable Inv. Mngrs. Ltd.
150 St. Vincent St., Glasgow 041-221 8844

Equity Trust Accum.	86.6	93.5	-7.3	6.33

Scottish Equitable Fund Mgrs. Ltd.
28 St. Andrews Sq. Edinburgh 031-556 9101

Income Units	64.0	68.1		5.17
Accum. Units	82.7	88.0		5.17

Dealing day Wednesday.

For Sebag see Cam. Sebag Unit Trust Managers

For Security Selection see McAnally Fund Management.

Scottish Widows' Fund Management
P.O. Box 902, Edinburgh EH16 5BU 031-655 6000

Pegasus Tst. Sept. 23	88.6	86.6	-1.5	—

SIMCO Money Funds
66 Cannon Street, EC4N 6AE 01-236 1425

SIMCO Call Fund†	100.0	—		16.24
SIMCO 7-Dy. Fund†	100.0	—		14.89

†Unauthorised—Cash Deposit Funds.

Stewart Unit Tst. Managers Ltd.(a)
45, Charlotte Sq., Edinburgh. 031-226 3271

*American Fund	96.6	102.3	-1.2	2.02
Accum. Units	105.1	111.5	-1.3	—
Withdrawal Units	78.9	83.6	-1.0	
*British Capital	196.0	209.3		6.35
Accum. Units	227.7	245.3		—
**European Fund	87.1	93.4		1.98

Deal. †Tues. & Fri. *Wed. **Mon. & Thur.

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

Equity Units	23.84		-0.32	—
Property Units	14.78			—
Equity Bond/Exec	15.98	16.91	-0.21	—
Prop. Bond/Exec	19.36	20.69		—
Bal. Bd./Exec/Unit	17.11	18.11	-0.08	—
Deposit Bond	144.0	152.4		—
Equity Accum.		286.3	-4.3	—
Property Accum.		20.83		—
Mngd. Accum.	287.1		-1.4	—
2nd Equity	124.4	132.7	-2.0	—
2nd Property	149.9	158.8		—
2nd Managed	126.6	134.0	-0.6	—
2nd Deposit	125.6	132.9		—
2nd Gilt	95.5	101.1	-0.2	—
2nd American	122.5	129.6	-3.3	—
2nd Int. Money	120.4	127.4	-0.3	—
2nd Eq. Pens./Acc.	152.9	161.8	-2.5	—
2nd Prp. Pens/Acc	175.9	186.1		—
2nd Mgd. Pens/Acc	146.6	155.1	-1.0	—
2nd Dep. Pens/Acc	149.9	158.6		—
2nd Gilt Pens/Acc	112.8	119.4	-0.3	—
2nd Am. Pens/Acc	141.5	149.7	-7.9	—
2nd Int. MoneyPens/Acc	131.5	139.2	-0.5	—
L & E S.I.F.	52.9	55.6	-0.5	-0.5
L & E S.I.F. 2	36.0	38.9		—

Current value September 25.

Capital Life Assurance
Coniston House, Chapel Ash W'ton. 0902 28511

Key Invest. Fd.		114.76		—
Pacemaker Inv. Fd.		87.16		—

Charterhouse Magna Gp.
Stephenson Hse., Brunel Centre, Bletchley, Milton Keynes. 0908 641272
Now known as Multiple Health & Life Assurance Co. Ltd.

Chrthse. Energy		60.0		—
Magna Mid. Sec.		172.7		—
Magna Managed		164.5		—

Chieftain Assurance Funds
11 New Street, EC2M 4TP. 01-283 3933

Managed Growth	189.11	199.07		—
Managed Income	77.25	81.32		—
International (z)	131.12	138.03		—
High Income	82.80	86.32		—
Income & Growth	79.22	83.39		—
Basic Resources	137.84	145.10		—
American (z)	129.18	135.98		—
Far Eastern (z)	163.12	171.71		—
Cash	118.66	124.91		—

City of Westminster Assurance

Hill Samuel Life Assur. Ltd.
NLA Twr., Addiscombe Rd., Croy 01-686 4355

Security Fund	98.3	93.0	-2.1	—
British Fund	88.7	93.4	-2.0	—
International Fund	107.8	113.5	-1.7	—
Dollar Fund	104.3	109.8	-1.0	—
Capital Fund	92.4	97.3	-2.3	—
Income Fund	91.4	96.4	-2.1	—
Property Series A	150.7	158.7		—
Property Units	245.9	258.8		—
Financial Fund	92.1	97.0	-2.7	—
Managed Series A	117.4	123.6	-2.1	—
Managed Series C	102.2	107.6	-1.9	—
Managed Units	201.3	211.9	-3.6	—
High Yield Fund	94.0	99.0	-2.9	—
Money Series A	124.3	130.8		—
Money Units	155.9	164.1		—
Equity Fund	112.0	117.9	-2.8	—
Fixed Int. Fund	107.3	113.0	-1.3	—
European Fund	98.5	103.7		—
Far East Fund	129.2	136.0		—
Spec. Sits Fund	92.2	97.1	-2.3	—
Pension Fund Prices				
Property Acc.	139.7	147.1		—
Property Cap.	124.3	130.9		—
Managed Acc.	220.5	232.2		—
Managed Cap.	186.7	196.6		—
Guaranteed Acc.	162.6	171.2		—
Guaranteed Cap.	137.6	144.9		—
Equity Acc.	165.7	174.5		—
Equity Cap.	147.4	155.2		—
Fixed Int. Acc.	128.4	135.2		—
Fixed Int. Cap.	114.2	120.2		—
Indexed Secs. Acc.	92.0	96.8		—
Indexed Secs. Cap.	91.2	96.0		—

Imperial Life Ass. Co. of Canada
Imperial House, Guildford. 71255

Growth Fd. Sept. 25	102.3	111.2		—
Pen Man. Fd. Sept. 25	95.9	104.2		—
Unit Linked Portfolio				
Managed Fund	117.2	123.3		—
Fixed Int. Fd.	109.7	115.8		—
Secure Cap. Fd.	123.0	129.5		—
Equity Fund	135.4	142.6		—
Property Fund	108.7	114.4		—

Irish Life Assurance Co. Ltd.
Basildon House, 7.11 Moorgate, EC2. 01-606 8401

Blue Chip Sept. 10	90.3	95.1		—
Managed Fund	293.8	309.3		—
Mangd. Fd. Ser. II	117.8	124.0		—
Prop. Md. Sept. 1	251.0	264.2		—
Prop. Md. Gth. Sept. 1	304.0	319.9		—
Prp. Md. Grth. Ser. II	142.2	149.6		—
Exempt. Man. Fd.	159.6	168.0		—
High Income Fund	320.2	337.0		—
Global Fund	102.8	108.2		—

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99⅞	99⅛	Treas. Variable '81‡‡	99⅞	−1/16	15.69	16.21
100⅛	99⅝	Exch. 12¾pc 1981‡‡	99⅝	−⅛	12.83	16.80
98⅝	95⅞	Treas. 8½pc '80-82‡‡	97⅜	−1/16	8.68	15.62
96⅛	91⅞	Treasury 3pc '82‡‡	95¾	−⅛	3.13	14.70
107	99⅝	Treasury 14pc '82‡‡	99⅝	−1/16	14.85	14.92
99⅞	98⅜	Treas. Variable '82‡‡	99	......	15.79	16.96
96⅞	93⅞	Treasury 8¼pc '82	94½	−⅛	8.74	16.01
96⅜	93⅞	Exch. 9¼pc 1982	94¼	−⅛	9.81	15.79
95¼	92⅝	Exch. 8¾pc 1983	93½	−⅛	9.36	14.42
92¾	84⅞	Exch. 3pc 1983	88¼	−½	3.40	12.38
99⅜	95¼	Treasury 12pc 1983‡‡	95¼	−⅛	12.60	15.77
99½	96⅛	Treas. Variable '83‡‡	98⅞	......	15.89	16.34
91¼	90⅜	Treasury 9¼pc '83	90¾	−⅛	10.19	15.25
101⅜	95⅞	Exch. 13½pc '83	95⅞	−⅛	14.08	15.74
94⅞	89⅞	Exch. 10pc 1983	89⅞	−⅛	11.13	15.53
88	83½	Funding 5½pc '82-84‡‡	83½	−½	6.59	14.11
96¾	90¾	Exch. 11½pc 1984	90¾	−⅛	12.40	15.98
103⅜	95⅞	Exchequer 14pc. 1984	95⅞	−⅛	14.60	15.91
82⅞	77¼	Exch. 3pc 1984	77¼	−½	3.88	13.19
98⅞	91⅛	Treasury 12pc 1984	91⅛	−⅛	13.17	15.83
107¾	98¼	Treasury 15pc 1985	98¼	−⅛	15.27	15.62
98⅞	89⅝	Exch. 12pc Cnv. '85	89⅝	−⅛	13.39	16.82
76	71	Treasury 3pc 1985	71	−½	4.23	13.28
96⅜	87⅛	Treasury 11¾pc. 1985●	87⅛	−⅛	13.20	16.11
98⅞	89	Exch. 12¼pc 1985	89	−⅛	13.76	15.92
97⅛	87¼	Exch. 11¾pc '86	87¼	−⅛	13.47	15.84
70⅜	65¼	Treasury 3pc 1986	65¼	−½	4.56	13.08
97⅝	87¼	Treasury 12pc '86	87¼	−⅛	13.75	15.88
88⅞	79½	Treasury 8¾pc '84-86‡‡	79½	−¼	10.69	14.58

Five to Fifteen Years

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
103⅞	94⅜	Exch. 13¼pc 1987	94⅜	−¼	14.27	15.50
81¼	71⅛	Funding 6½pc '85-87‡‡	71⅛xd	−⅞	8.94	13.98
99½	83⅝	Treas. 12pc 1987	83⅝xd	−1	14.15	16.03
81¼	73¼	Treasury 7¾pc '85-88‡‡	73¼	−⅞	10.78	14.72
65½	58⅝	Transport 3pc '78-88	58⅝	−⅞	5.18	12.37
92⅝	79½	Treasury 11½pc 1989	79½	−1⅛	14.49	16.68
67¼	59¾	Treasury 5pc '86-89	59¾xd	−¼	8.34	13.24
101½	88⅝	Treasury 13pc 1990‡‡	88⅝	−1	15.13	16.89
95⅞	81⅝	Exch. 12½pc 1990	81⅝	−1⅛	15.36	16.69
80⅞	71⅛	Treasury 8¼pc '87-90‡‡	71⅛	−⅞	12.00	14.72
93⅞	79⅝	Treasury 11¾pc 1991	79⅝	−⅞	15.26	16.66
66¾	57⅛	Funding 5¾pc '87-91‡‡	57⅛xd	−¼	9.98	14.03
90	72⅞	Exch. 11pc 1991	72⅞xd	−1⅛	14.98	16.52
98⅞	83¾	Treasury 12¾pc '92‡‡	83¾	−1	15.67	16.54
82⅞	70¼	Treasury 10pc 1992	70¼	−⅞	14.45	16.20
94⅞	79	Exch. 12¼pc '92	79	−1	15.74	16.72
101⅞	84¼	Exchequer 13½pc '92	84¼	−1	16.07	16.72
96¾	81⅜	Treasury 12½pc '93‡‡	81⅜	−1	15.29	16.56
63⅞	53⅞	Funding 6pc 1993‡‡	53⅞	−¾	11.18	14.14
105¼	89⅞	Treasury 13¾pc 1993‡‡	89⅞	−1	16.20	16.65
107¼	90⅞	Treasury 14½pc '94‡‡	90⅞	−1	16.24	16.56
104⅞	82⅞	Exchequer 13½pc 1994	82⅞xd	−1	16.14	16.64
95⅞	79½	Exch. 12½pc 1994	79½	−1	15.98	16.64
79¼	67⅞	Treasury 9pc '94‡‡	67⅞	−⅞	14.05	15.45
92⅞	77¼	Treasury 12pc '95	77¼	−1	15.88	16.57
51¾	42	Gas 3pc '90/95	42xd	−½	7.10	11.51
83	69⅝	Exch. 10¼pc 1995	69⅝	−⅞	15.15	16.14
100⅛	84⅞	Treasury 12¾pc '95‡‡	84⅞	−1	15.92	16.37
104⅞	88⅝	Treas. 14pc '96	88⅝	−1	16.33	16.61
76¾	63¼	Treasury 9pc '92/96‡‡	63¼	−⅞	14.37	15.50
115⅝	91⅝	Treasury 15¼pc '96‡‡	91⅝xd	−1	16.38	16.55
103½	87⅞	Exchequer 13¼pc '96‡‡	87⅞	−1	16.03	16.39

Over Fifteen Years

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
100⅛	90⅞	Treas. 2pc I.L. '96‡‡	90⅞	−1⅛	2.43	3.07
50¼	42⅝	Redemption 3pc 1986-96	42⅝xd	−¼	7.04	10.81
101⅛	85⅛	Treasury 13¼pc '97‡‡	85⅛	−1⅛	16.04	16.34
83⅞	69⅞	Exchequer 10½pc 1997	69⅞	−¼	15.27	15.99
74¾	62⅛	Treasury 8¾pc 1997‡‡	62⅛	−⅞	14.24	15.42
65⅝	51⅞	Treasury 6¾pc '95-98‡‡	51⅞xd	−¼	12.98	14.47
114½	94½	Treas. 15½pc '98‡‡	94½xd	−1	16.39	16.47
95⅛	79⅞	Exch. 12pc 1998	79⅞	−1	15.99	16.35
79⅞	66⅝	Treasury 9½pc 1999‡‡	66⅝	−⅞	14.70	15.36
94	76⅝	Exch. 12¼pc 1999	76⅝	−1	15.80	16.38
86¼	72	Treasury 10½pc 1999	72	−¾	15.40	15.91
100	83½	Treas. 13pc 2000	83½	−1	16.10	16.10
107¾	90⅞	Treas. 14pc '98-01	90⅞	−1	16.38	16.45
93¼	77¼	Exch. 12pc '99-02	77¼	−1	16.00	16.21
104⅞	87⅛	Treas. 13¾pc 2000-03	87⅛	−1	16.22	16.32
90	73½	Treasury 11½pc '01-04	73½	−1	15.71	15.91
41⅛	33⅞	Funding 3½pc '99-04	33⅞	−¼	10.01	12.53
99¼	82¾	Treasury 12½pc '03-05	82¾	−1	15.97	16.05
91½	86⅞	Treas. 2pc IL‡‡	87¼	−1⅛	2.44	2.72
66⅞	56¼	Treasury 8pc '02-06‡‡	56¼xd	−⅞	14.19	14.53
92½	76⅞	Treasury 11¾pc 03-07	76⅞	−1⅛	15.35	15.93
105⅞	84¾	Treas. 13½pc '04-08	84¾xd	−1	15.95	16.00
50⅞	41⅛	Treasury 5½pc '08-12‡‡	41⅛	−¾	13.47	13.78
66¼	55⅞	Treasury 7¾pc '12-15‡‡	55⅞	−¾	14.29	14.38
98⅛	81¾	Exch. 12pc '13-'17	81¾	−1	15.35	15.35

Undated

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
33¼	27⅞	Consols 4pc	27⅞	−⅞	14.97	—
32¼	25¾	War Loan 3½pc‡‡	25¾	−⅞	14.23	—
37⅝	30½	Conv. 3½pc '61 Aft.	30½xd	−⅞	11.47	—
25	20⅛	Treasury 3pc 66 Aft.	20⅛xd	−¼	14.87	—
21⅛	17⅜	Consols 2½pc	17⅜xd	−¼	14.35	—
21	16¾	Treasury 2½pc	16¾xd	−¼	14.91	—

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99⅝	91	Finland 14½pc Ln 1986	91	−1½	15.93	17.39
92¾	87	Int. Bank 5pc '77/82	91¼	−¼	5.48	15.78
99 11/16	90½	Do. 13½pc Ln 1986	90½	−1	14.92	16.51
100⅜	89½	Sweden 13½pc 1986	89½	−1	15.08	16.93

CORPORATION LOANS

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
93½	85	Bath 11¼pc 1985	85	−1	13.22	16.35
98	89½	Birm'ham 12½pc 1985	89½	−1	13.95	16.33
102	90¼	Burnley 13pc 1987	90¼	−¼	14.97	16.66
95½	80½	Cardiff 11pc 1986	80½xd	−1½	13.48	16.52
100⅛	97¾	G.L.C. 12½pc '82	97¾	−½	12.79	16.17
99	93½	Do. 12½pc 1983	94	−1	13.31	16.30
95⅝	92½	Glasgow 9¼pc '80-82	92¾	−¾	9.98	16.49
75½	68	Herts 6½pc 1985-87	68	−¼	10.07	15.48
98¾	79¼	Leeds 13½pc 2006	79¼xd	−1½	16.91	16.96
91½	86¼	Liverpool 9¾pc '80-84	86¼	−1	11.30	16.30
26	21½	Do. 3½pc Irred.	21½xd	−½	16.54	—
100½	94¾	Lon. Corp. 13¾pc '83	94¾	−1	13.98	16.17
88¾	85	Do. 9¼pc '84-85	85	−½	10.88	14.27
80½	78½	LCC 5½pc '82-84	78¾	−¼	6.98	15.00
71¼	63¾	Do. 5½pc '85-87	64	−1¼	8.81	15.66
70¼	59	Do 6¾pc '88-90	59	−1¼	11.69	15.78
23¾	18¾	Do. 3pc '20 Aft.	18¾	−¼	16.91	—
97¼	90	Sunderland 12¼pc 1984	90	−1	13.60	16.29

COMMONWEALTH AND AFRICAN LOANS

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
97½	92¼	Aust. 5½pc '81-82	94¼	−⅛	5.80	16.13
87½	83½	Do. 6pc 1981-83	85¼	−½	7.19	15.16
67¼	58	N.Z. 7½pc 1988-92	58	−1	12.85	15.78
81¾	74	Do. 7½pc '83-86	74	−¾	10.43	16.17
141	115	S. Rhod. 2½pc Non-Ass.	134	−3	—	—
61	43	Do. 3½pc 80-85 Asstd.	55	−4	6.39	20.60
43	26	Do. 4½pc 87-92 Asstd.	34	−3	13.48	19.80
395	328	Zimbabwe Ann (£100pa)	328xd	−8	—	23.84

LOANS

1981 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		Public Board and Ind.				
64	57¼	Agric. Mt. 5pc '59-89	57¼	−1	8.91	14.62
29½	23¾	Met. Wtr. 3pc 'B'	23¾xd	−½	12.72	14.86
114	97	U.S.M.C. 9pc 1982	97	−1	9.60	—
97¾	91	Do. without Warnts.	94	−½	9.92	—
		Financial				
101½	95¼	FFI 14pc '83	95¼	......	14.69	16.57
93½	88½	FFI(UK Fn)5½pcDb. '80-2	91½xd	−½	6.03	15.82
83½	77	Do. 6¾pcDb. '81-84	79½	−1	8.11	15.82
93	84½	Do. 10¾pc Uns.Ln. '86	85	−½	12.74	16.30
92	80	Do. 11pc Uns.Ln. '88	82½	−½	13.79	15.44
92	80	Do. 11¾pc Uns.Ln. '90	81½	−½	14.97	16.60
94½	78½	Do. 12¼pc Un. Ln. 1992	78½xd	−1	15.72	16.70
64½	54½	Do. 7¼pcADeb. '89-92	54½	−1½	13.86	16.84
62	51½	Do. 7¾pcADeb. '91-94	51½xd	−¼	14.08	16.50
72½	60½	Do. 9pc 'A' '91-94	60½xd	......	14.87	16.40
70	56½	Do. 8¾pcLn. '92-97	56½	−1	16.05	17.20
		Building Societies				
100¼	98¼	N'wide 14¼pcBd11.8.82	98¾	+½	14.94	—

FOREIGN BONDS & RAILS

1981 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
95	58	Antofagasta Rly.	78	......	—	—
55	53½	Do. 5pc Pref.	54xd	......	—	—
98	98	Chilean Mixed	98	......	3	f3.08
28	14	Chinese 4½pc 1898	16	......	—	—
22	12	Do. 5pc 1912	12	......	—	—
18	9	Do. 5pc 1913	10	......	—	—
16	9	Do. 5pc '25 Boxer	10	......	—	—
94	76½	Denmark 13pc 2005	76½	−1	13	17.82
45	36	Greek 7pc Ass.	45	......	3½	f8.04
42	33	Do. 6pc 28 Stb. Ass.	42	......	3	f7.22
35	30	Do 4pc Mixed Ass.	35	......	2	f5.80
52	40	Hung. '24 Ass.	40	......	2¼	f7.86
97¼	87	Hydro Quebec 15pc Ln 2011	87	−½	15	17.72
67	60	Iceland 6½pc '83-88	62	......	6½	16.10
102	83	Do. 14½pc Ln. 2016	83	......	14½	17.96
90¼	83½	Ireland 7¾pc '81-83	87	−¼	7¾	17.18
79¾	64½	Do. 9¾pc '91-96	64½xd	−1½	9¾	16.20
215	180	Japan 4pc '10 Ass	210	......	—	—
79	66	Do. 6pc '83-88	66	......	6	14.01
165	155	Peru Ass. 2007	165	......	5.22	17.94
96¾	79½	Pet. Mx 14½pc '06	79½xd	−1½	14½	18.31
$79	$75	Turin 9pc 1991	$75	......	9	f12.80
DM90	DM87	Turin 6½pc 1984	DM87	......	6½	11.30
96	96	Uruguay 3½pc	96	......	3½	3.85

AMERICANS

1981 High	Low	Stock	Price £	+ or −	Div. Gross	C'vr	Y'ld Gr's
27⅝	27	AMF 5% Conv. '87	27	......	5%	—	f11.6
16½	912p	Abbott Labs.‖	13⅛	+⅛	72c	—	2.9
17¼	13¾	Alcoa 1$	14¾	+¼	$1.80	—	6.7
37⅞	16½	Amax $1	22xd	−½	$2.40	—	6.0
21¼	14	Amdahl	14	−⅝	40c	—	1.6
27⅝	16⅛	Amer. Express $0.60	22	−⅞	$2.00	—	5.1
26	15½	Amer. Medical Intl. $1.	19	−1⅛	64c	—	1.9
14⅞	11¼	Bank America Corp.	13¼xd	......	$1.52	—	6.4
18⅝	12⅛	Bankers N.Y. $10	15⅝xd	−1¼	$1.85	—	6.6
36⅝	22¼	Bendix Corp. $5	30½xd	−⅛	$3.00	—	5.4
14⅞	951p	Beth Steel $8	12xd	−⅛	$1.60	—	7.4
18⅞	975p	Brown'g Fer. c16⅔	14⅛	−⅞	84c	—	3.3
11⅞	564p	Brunswick Corpn.‖	910p	+15	90c	—	5.5
24¾	17	Burroughs Corp. $5.	17	−½	$2.60	—	8.5
31⅞	19⅞	CBS $2.50	28⅛	+⅞	$2.80	—	5.5
18⅛	12¼	C.P.C. $½	16xd	−⅛	$1.92	—	6.7
36	23	Caterpillar‖	30⅝	......	$2.40	—	4.4
30	18	Chase M'htn. $12.5	29	−¼	$3.10	—	6.0
19⅝	11¾	Chesebrough $1	18	−¼	$1.52	—	4.7
382p	178p	Chrysler $6¼	261p	−5	—	—	—
15	883p	Citicorp $4	13¼xd	−¼	$1.56	—	6.3
15¾	865p	City Inv. $1.25	12¼	−⅛	$1.60	—	7.2
24	13⅞	Do. Cnv. Prf. B $1	19¼	......	$2.00	—	5.8
916p	587p	Colgate-P. $1	840p	−41	$1.12	—	7.4
49½	18⅞	Colt Inds. $1	47xd	......	φ$2.90	—	3.5
52	21⅞	Conoco $5	36¼xd	−⅞	$2.60	—	4.0
20¼	11⅝	Cons. Foods $1⅓	15¾	−⅛	$1.90	—	6.7
21⅞	12⅞	Cont. Illinois $10	20	+¼	$2.00	—	5.6
24	16⅛	Crown Zell. $5	16⅛	−⅞	$2.30	—	7.9
935p	510p	Damson Oil US$0.4	510p	−35	—	—	—
21⅛	11⅛	Eaton Crp. $0.50	16⅛xd	−⅛	$1.72	—	6.0
30⅝	15⅞	Esmark $1	25¼xd	−½	$1.84	—	4.0
20	15	Exxon ‖	16⅞	−⅛	h$3.00	—	9.9
11½	552p	Fin. Corp. America	734p	−77	68c	—	5.1
10⅝	639p	First Chicago $5	960p	−12	$1.20	—	6.9
25¼	15¼	Fluor Corp. $⅝	15¼xd	−½	80c	—	2.9
12½	789p	Ford Motor $2	10⅞	......	$1.20	—	6.1
21½	15½	GATX $⅝	18⅛	−⅞	$2.40	—	7.4
34¼	24⅝	Gen. Elect. $2½	29⅜xd	......	$3.20	—	6.1
18	11½	Gillette $1	15⅞	−⅛	$2.10	—	7.6
24¼	17⅞	Gulf Oil‖	17⅞	−⅛	$2.80	—	8.7
50½	41	Honeywell $1.50	44¾	+½	$3.40	—	4.2
23¼	875p	Hutton (E. F.) $1.	19⅛	−⅝	h80c	—	2.3
32⅝	25⅛	I.B.M. Corp. $1.25	30¼	−⅛	$3.44	—	6.3
38	28¼	Ingersoll-R $2	33¼xd	+½	$3.40	—	5.7
960p	656p	I. U. International‖	656xd	−43	$1.10	—	9.3
16¾	13½	Int. Tel. & Tel. $1	14½	−½	$2.60	—	10.0
12⅝	993p	Kaiser Al. $⅓	10	......	$1.40	—	7.8
737p	304p	Lionel Corp. $0.10	473xd	+7	20c	—	2.4
18	12½	Lone Star Inds.	13	−¼	$1.85	—	7.9
23	15	Louisiana Land $0.15	15	−½	$1.80	—	6.7
20⅝	12¾	Manf. Han. US$7.50	19¼xd	+⅛	$2.72	—	7.9
22½	12⅝	Merrill Lynch $1	17	−⅞	$1.28	—	4.2
32⅝	20¾	Morgan (J.P.) US$2.5	31⅝xd	−⅞	$3.10	—	5.5
935p	605p	Norton Simon Inc. $1	833p	+15	$1.08	—	7.2
31¼	13½	Pennzoil	20⅞	−½	$2.20	—	6.0
19¾	12⅞	Quaker Oats US$5	18¼xd	+¼	$1.80	—	5.5
52⅞	27⅞	Reliance $0.25	48¼	......	φ$3.00	—	3.5
21⅞	12⅛	Rep. N.Y. Corp. $5	17¼xd	−⅞	$1.20	—	3.8
944p	690p	Rexnord $5	833xd	+1	$1.08	—	7.2
22¼	14⅛	Rockwell Intl. $1.	14⅛	−¼	$1.56	—	6.1
479p	333p	Saul (B. F.) $1	339xd	−32	20c	—	3.3
27⅝	17¾	Shell Oil $1	22	−½	$1.80	—	4.5
627p	447p	Simplicity Patt	529p	−31	φ56c	—	5.9
27	17⅞	Sperry Corp. $0.50	17⅞	−⅞	$1.92	—	6.1
24⅞	16	Sun Co. Inc.	16¼xd	−¼	$2.10	—	7.0
33½	27⅞	TRW Inc. $1¼	27¼xd	......	$2.40	—	4.8
24	17⅞	Tenneco $5	18xd	−⅝	$2.60	—	8.0
176	117	Do. 10% Ln. Stk. 91-95	117	−3	10%	—	f8.7
12⅝	726p	Tesoro Pt. US$0.16⅔	825p	−42	30c	—	2.0
21⅞	15⅞	Texaco $6.25	18⅝	−½	$2.80	—	8.4
45	22⅝	Time Inc. $1	36¾	+⅝	$2.00	—	3.0
13⅛	752p	Transamerica $1	11⅞	−¼	$1.40	—	6.5
32	20¾	Union Carbide $1	26⅛	−¼	$3.40	—	7.2
30⅝	22⅞	Utd. Tech. $US5	23¼	−⅝	$2.40	—	5.8
17⅛	969p	U.S. Steel $1	14½xd	−⅛	$2.00	—	7.7
13⅞	10	Woolworths $3½	10¾	−¼	$1.80	—	9.3
19½	10½	Zapata Corp. 25c.	13¼	−¼	40c	—	1.6

CANADIANS

1981 High	Low	Stock	Price £	+ or −	Div. Gross	C'vr	Y'ld Gr's
13	10⅜	Bk. Montreal $2	11	−¼	$1.84	—	9.3
12½	10¼	Bk. Nova Scot. $1	11⅛	−⅛	$1.76	—	6.8
846p	660p	Bell Canada $8⅓	814xd	−4	$1.80	—	9.8
11	630p	Bow Valley‖	703p	−63	15c	—	0.9
15¾	11½	Brascan‖	11½xd	−⅝	$1.80	—	6.9
13½	970p	Can. Imp. Bk. $2	12⅛	−⅛	$2.0	—	7.3
24½	13⅞	Can. Pacific $5	19¾	−⅝	$1.90	—	4.2
31⅞	26⅞	Do. 4pc Deb. £100	26⅞	−⅛	4%	—	14.9
10⅞	790p	Can. P. Ent.‖	898p	−45	$1.12	—	5.6
13⅞	810p	Gulf Can.‖	867p	−57	44c	—	2.2
962p	469p	Hawker Sid. Can.‖	469p	−45	96c	—	9.0
20½	12⅞	Hollinger $5	14	......	s$2.20	—	6.9
16¾	812p	Hudson's Bay ‖	975p	−50	$1.20	—	1.4
21⅞	795p	Hud. B. Oil G. $2½	16¼	−1½	32c	—	0.9
16⅞	11½	Imperial Oil‖	12⅛	−¼	$1.40	—	5.1
11⅛	765p	Inco‖	820p	−10	$US72c	—	4.9
750p	450p	Int. Nat. Gas $1	610p	−30	$1.10	—	8.0
210p	122p	Massey Ferg.‖	122p	−4	—	—	—
120p	45p	Place Gas $1	45p	−5	—	—	—
17½	10¼	Rio Algom	15⅛	−¼	$1.50	—	4.2
13	10⅞	Royal Bk. Can. $1	11¾	−⅛	$1.80	—	6.8
32⅛	23¾	Seagram Co. C$1	25⅝	−⅞	US$1.40	—	3.0
14⅛	11¼	Tor. Dom. Bk. $1.	12⅝	......	$1.80	—	6.3
11	750p	Trans Can. Pipe	908p	−4	$1.16	—	5.6

BANKS AND HIRE PURCHASE

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
348	208	ANZ $A1	298	−23	tQ24c	3.6	5.0	5.5
280	203	Alexanders D. £1	203	−10	17.0	—	12.0	—
*£62½	£48¾	Algemene Fl.100	£59	−3½	tQ28%	1.9	9.6	5.4
405	265	Allen Harvey £1	265	−25	23.0	—	12.4	—
*116	98	Allied Irish	98	−4	Q13.9%	5.5	9.9	2.6
21¼	13	Ansbacher (H.) 5p	13	−1½	0.15	—	1.6	—
365	234	Arbuthnot L. £1	265	−25	12.0	—	6.5	—
310	260	Bk. Ireland £1	275	−10	Q28.9%	—	9.3	—
*8	3	Bk. Leumi $0.1	4	......	hQ12%	—	5.3	—
250	170	Bk. Leumi (UK) £1	240	−10	10.15	—	6.0	—
193	145	Bk. N.S.W. $A1	170	−10	φtQ18c	2.9	6.4	5.3
443	285	Bank Scotland £1	398xd	−12	†17.5	5.7	6.3	2.9
472	370	Barclays £1	382	−16	†18.5	5.5	6.9	3.1
243	182	Brown Shipley £1	197	−8	h6.5	—	4.7	—
95	70	Carrian Inv. HK$1	82	......	hsQ4¼c	3.8	5.1	5.1
408	300	Cater Ryder £1	300	−8	23.1	—	11.0	—
95	64	Charterhouse Gp.	64xd	−5	†4.51	1.7	10.1	(7.2)
50	23	Clive Dis'nt 20p	23	−5	1.5	—	9.3	—
450	110	Com'l Aus. ($A1)	420	−5	φQ20c	φ	2.9	φ
650	520	Com'zbk DM 10	610	−40	—	—	—	—
925	800	C'hgn. Hbk. Kr100	800	−60	Q14%	—	13.4	—
£15½	£13½	Cred. France F100	£13½#	......	Q17¼%	—	12.5	—
19	11	Dawes (G. R.)	11	−2	—	—	—	—
*£67¾	£53⅝	Deutsche Bank DM50	£64	−¾	gQ31¼%	—	5.9	—
550	405	‡Dunbar Grp. £1	470	−40	†6.2	5.0	1.9	15.2
37¾	19½	First Nat. 10p	20	−3½	—	—	—	3.4
5	1½	Do. Wrts. 75-83	1½	−½	—	—	—	—
324	244	Gerrard Natnl	244	−10	14.0	—	8.2	—
290	202	Gillett Bros. £1	202	−11	17.71	—	12.5	—
41	28	Goode D't Mry. 5p	40	−1	0.75	—	2.7	—
250	152	Grindlays	152	−16	4.13	4.1	3.9	6.8
123	75	Guinness Peat	75xd	−4	4.0	—	7.6	—
190	112	Hambros 5p	120	−15	4.5	—	5.4	—
176	112	Hill Samuel	116	−14	7.0	—	8.6	—
*165	115	Hong Shng. $2.50	135	−13	tQ61c	—	4.9	—
88	60	Jessel Toynbee	60	−5	5.0	—	21.9	—
265	172	Joseph (Leo) £1	225	−10	10.45	—	6.6	—
104	80	King & Shax 20p	80	−4	5.75	—	10.3	—
284	198	Kleinwort B.L.	198xd	−25	9.0	—	6.5	—
422	292	Lloyds £1	352	−13	†17.1	6.1	6.9	2.8
98	55	Manson Fin. 20p	62xd	+1½	2.57	φ	6.7	φ
294	188	Mercury Secs	188	−12	7.0	—	5.3	—
352	280	Midland £1	292	−13	†21.5	3.6	10.5	3.1
£72½	£60	Do. 7½% 83-93	£60	−3	Q7½%	23.3	f13.1	—
£82¼	£70½	Do. 10¼% 93-98	£70¾	......	Q10¼%	23.3	f16.07	—
92	58	Minster Assets	58	−10	4.0	1.9	9.9	7.8
228	130	Nat. Bk. Aust. $A1	162	−8	φtQ18c	2.8	6.8	5.2
425	338	Nat. West. £1	345	−10	†21.0	4.5	8.7	3.0
£54	£45	Ottoman Bank £20	£45	−6½	Q37½%	—	8.3	—
202	87	Royal Bk. of Scot.	132	−18	†4.9	5.3	5.3	4.9
500	320	Schroders £1	395	−30	10.5	—	3.8	—
280	210	Seccombe MC £1	210	−15	18.0	—	12.2	—
£21½	£12⅝	Sec. Pacific Corp.	£20	−⅛	Q$2.20	—	4.9	—
204	128	Smith St. Aub.	128	−4	10.5	—	11.7	—
710	552	Stand'd Chart £1	552	−51	†32.5	3.2	8.4	4.4
$34	$21	Trade Dev. $1.50	$25	......	sQ$1.00	—	4.0	—
540	410	Union Disc £1	425	−5	23.0	—	7.7	—
£18	£11⅝	Wells Fargo $5	£14¾	+⅛	Q$1.92	—	7.2	—
£42½	£17	Westland/Utr. Fl.50	£17	−½	Q32%	φ	17.5	φ
128	84	Wintrust 20p	100	−7	3.2	—	4.6	—

Hire Purchase, etc.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
35	14½	Cattle's (Hdgs) 10p	14½	−4½	†0.27	2.6	2.6	(16.8)
£25¼	£11¾	Cie B'cre Fr.100	£15½	−2	gQ15%	—	9.9	—
64	30	Lnd. Scot. Fin. 10p	30	−5	†2.03	2.5	9.6	5.2
25½	13	Moorgate Merc. 10p	13	......	0.9	1.5	9.9	8.4
148	93	Prov. Financial	93	−5	7.02	1.8	10.8	7.3
*13½	6	Strlg. Credit 10p	6½	−1½	—	—	—	—
14	6	Sturla Hldgs. 10p	6	−½	F0.35	—	8.3	—
56	34	Wagon Finance	37	−3	2.31	1.2	8.9	13.1

BEERS, WINES AND SPIRITS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
79½	62	Allied Brews.	65½	−3	5.0	1.8	10.9	(6.2)
*85	33½	Amal. Dist. Pr. 10p	61	−6	g1.0	3.9	2.3	(15.9)
251	183	Bass	186	−5	†8.6	2.6	6.7	7.5
42	18	Belhaven Brewery	19	−4	—	—	—	4.2
146	101	Bell Arthur 50p	110	−4	†h4.05	3.9	5.3	5.3
£121	£94	Do. 9¾pc Cnv. 99-01	£98	−2	Q9¾%	—	f12.4	—
166	100	Boddingtons	133xd	−15½	†3.0	3.0	3.2	14.8
94	78	Border Brew's.	82	−1	4.9	2.0	8.5	7.8
186	134	Brown (Matthew)	145	−7	†5.69	2.5	5.6	9.6
53	39	Buckley's Brew.	40	−6	2.35	2.5	8.4	5.9
273	172	Bulmer (H.P.)	240	−5	9.38	3.1	5.6	6.8
364	250	Burtonwood	335	−11	5.19	6.2	2.2	10.5

CHEMICALS, PLASTICS—Cont.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
*£30¼	£20⅞	Bayer AG. DM.50	£20½	−1½	Q21.88	1.2	9.3	9.2
116	86	Blagden Noakes	100	−6	6.0	0.9	8.6	(8.1)
126	90	Brent Chems 10p	93	−7	†h2.0	2.0	3.1	19.2
27½	14	Brit. Benzol 10p	18	−3	—	—	—	—
38	21	Brit. Tar Prd. 10p	22	−1	2.1	1.1	13.6	(9.8)
£91	£85	Ciba G. 8% Cv. 81/94	£86½	−1½	Q8%	4.3	f9.7	—
£90	£82½	Do. 8¼% Cnv. 82/95	£85	......	Q8¼%	4.0	f10.2	—
132	95	Coalite Group	95	−6	4.16	4.2	6.3	4.1
64	46	Coates Bros.	51	−4	3.0	3.1	8.7	4.1
63	41	Do. 'A' NV	41	−1	3.0	3.1	11.0	3.2
18	14	Cory (Horace) 5p	14xd	......	‡1.3	1.1	‡	(9.8)
49	32	Croda Int. 10p	40	−1	3.1	1.3	11.5	(8.7)
27	18	Croda Int. Defd.	22	+1	—	—	—	—
18	12	Dixor-Strand 5p	12	......	—	—	—	—
132	108	Ellis & Everard	108	−12	6.5	1.3	8.6	12.7
195	112	Fisons £1	130	−2	‡10.0	—	‡	—
48	36	Halstead (J.) 10p	38	−2	2.4	3.7	9.0	3.6
191	137	Hicsn. Welch 50p	160	−3	7.5	2.3	6.7	9.4
299	223	Hoechst DM5	285	......	Q21.9%	1.5	9.3	7.8
£100	£90	Do. Fin. 10% Uns Ln.	£91	−1	Q10%	—	f11.4	—
330	226	Imp. Chem. £1	250	......	‡17.0	8.2	‡	—
41	34½	Do. 5% Pf. £1	35½	......	3.5	37.7	14.1	—
203	74	Int. Paint	104	−6	3.51	3.8	2.7	10.6
130	77	Laporte Inds. 50p	99xd	−8½	7.0	0.8	10.1	18.7
190	128	Leigh Ints 5p	128	−10	5.63	1.8	6.3	(8.9)
65	40	Morley (R.H.) 10p	43	......	1.0	φ	3.4	φ
£46½	£27	Norsk H. Kr100	£33¾	−8¼	gQ12%	9.0	4.0	‡
£122	£46	Novo Inds. A/S 'B'	£79	−8½	Q13%	5.0	1.3	15.8
103	64	Plysu 10p	78	−9	h1.89	3.9	3.5	8.3
232	170	Ransom Wm. 10p	230	......	5.68	2.8	3.5	11.4
177	134	Rentokil 10p	134xd	−5	†2.55	2.8	2.7	17.4
195	158	Scot. Ag. Ind. £1	172	−8	14.75	2.1	12.2	5.0
157	76	Stewart Plastics	128	−12	2.91	φ	3.3	φ
14½	7½	Thurgar Bardex 10p	8	......	0.9	1.2	16.1	(7.8)
125	85	Wolstenholme	115	......	5.75	2.6	7.3	6.7
45	27	Yorks Chems.	29	−4	—	—	—	—

DRAPERY AND STORES

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
38	19½	Allebone 10p	20	−3	1.0	—	7.1	—
34	12	Amber Day 20p	12½	−½	2.86	—	32.7	—
41	24	Aquascutum 5p	25	−2	2.05	1.3	11.7	(8.9)
37	20	Do. 'A' 5p	20	−3	2.05	1.3	14.6	(7.1)
179	49	Baker's Strs. 10p	132	−10	†h1.32	8.8	1.4	9.3
77	45	Bambers Stores 10p	45	−8	1.55	3.6	4.9	6.2
178	126	Beattie (J) 'A'	128	......	4.5	3.8	5.0	7.5
49	27	Bentalls 10p	35	−2	1.35	1.4	5.5	15.9
11	6	Boardman KO 5p	6	......	0.25	4.7	6.0	4.9

ENGINEERING MACHINE TOOLS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
25	10	AI Ind. Prods.	10	−1	0.01	—	—	
297	163	A.P.V. 50p	212xd	−3	9.0	3.5	6.2	5.1
11½	4	Abwood 10p	9	−1	—	—	—	φ
66	42	Acrow	62	......	0.75	—	1.8	—
42	25	Do. 'A'	33	−3	0.75	—	3.3	—
199	120	Adwest Group	120	−14	7.5	φ	9.4	φ
70	36	Allen W.G.	44	......	3.11	0.8	10.1	(8.1)
*141	52	Amal. Power	136	......	φ5.0	2.0	9.3	(10.8)
101	67	Andsn. S'clyde	67	−11	4.0	2.4	8.5	5.7
298	185	Ash & Lacy	225	−15	12.5	3.4	7.9	4.1
52	20½	Ass. British 12½p	28	......	0.5	6.0	2.6	7.8
63	48	Assoc. Tooling	52	−2	4.06	0.1	11.2	—
*17	9	Astra Ind'l. 10p	9	−1	‡1.0	1.9	15.9	5.6
35	18	Aurora Hlds.	18	−2	‡tt1.55	—	‡	—
62	44	Austin (James)	58	−2	4.67	2.1	11.5	(4.9)
147	82	Babcock Intl.	82	−7	7.0	0.8	12.2	(15.8)
7½	5¾	Bailey (C.H.)	6	−1	—	—	—	14.8
92	62	Baker Perk. 50p	75	−5	5.1	8.7	9.7	(25.7)
72	50	Bamro Cons. 20p	62	−1	3.0	2.3	6.9	(7.1)
35	23	Barton Grp.	23xd	−1	2.4	0.9	14.9	(11.0)
26	20	Beauford 10p	20	−2	0.7	1.3	5.0	(20.0)
17	10	Bevan (D.F.) 5p	10	−1	d0.85	—	12.1	—
32	19	Birmid Qualcast	19	−1	‡1.5	0.8	‡	(11.1)
233	177	Bmghm. Mint	185	−13	10.5	3.0	8.1	4.5
68	25	B'ham Pallet 10p	36	......	‡2.5	1.5	‡	9.7
£10½	725	Black & Decker $0.50	947	+8	Q76c	—	5.0	—
47	19	Blackw'd Hodge	19	−5	‡2.5	—	‡	—
11	7	Boulton Wm 10p	7½	−½	‡1.35	0.8	‡	(8.3)
25	12	Braham Mill 10p	24	......	d0.3	—	1.8	—
135	90	Braithwaite £1	100	−4	7.7	2.3	10.2	5.9
64	28	Brasway 10p	53	−2	3.0	0.8	8.1	(18.9)
50	38	B'house Dud. 10p	44	......	3.2	2.7	10.4	5.0
4½	3¼	Bristol Channel 10p	3¼	......	0.4	0.6	17.6	(10.0)
140	45	Brit. Aluminium 50p	45	−8	‡7.5	—	‡	—
18	11	British Northrop	12	−1	—	—	—	—
128	83	Brit. Steam 20p	83	−8	5.25	1.6	9.0	(8.2)
40	22½	Brockhouse	22½	−3	‡3.0	—	‡	—
51	40	Brom's Cast 10p	40	−2	2.25	2.2	8.0	8.1
17	12	Bronx Eng. 10p	16	......	1.08	3.0	9.6	(3.9)
55	28	Brooke Tool	30	......	‡3.5	1.9	‡	(1.7)
166	133	Brother'd P. 50p	148	−10	3.0	1.9	2.9	(22)
137	92	Brown & Tawse	100	−7	6.4	1.5	8.5	9.7
*101	54½	Brown (John)	69½	−1½	4.25	1.9	8.7	(7.2)
184	138	Bullough 20p	138	−8	10.75	2.6	11.1	5.2
52	35	Burgess Prod.	35	......	‡4.0	3.6	‡	1.9
32	17	Butterfield Hvy.	20	......	1.0	—	7.1	—
30½	12	Camford Eng.	12	−2	‡1.63	—	‡	—

FOOD, GROCERIES—Cont.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
58	38	Lennons Gp. 10p	51	−2	2.4	1.9	6.7	[illegible]
165	123	Linfood Hldgs.	133	−8	10.0	φ	10.7	φ
36	32	Lockwoods	34#	......	8.1	—	[illegible]	—
80	60	Lovell (G.F.)	62	......	‡3.0	φ	‡	[illegible]
184	146	Low (Wm.) 20p	160	−6	7.5	2.6	6.7	[illegible]
210	97	Matthews (B.)	97xd	−1	h4.30	3.3	6.4	[illegible]
96	82½	Meat Trade Sup.	90xd	+2½	7.8	1.2	12.5	[illegible]
176	87½	Morrison (W.) 10p	138	−4	†h1.25	6.7	1.4	[illegible]
73	35	Needlers	60	......	d2.5	4.2	6.0	[illegible]
270	165	Nichols (Vimto)	180	−10	†9.5	3.8	7.5	[illegible]
194	128	Northern Foods	131	−5	†h4.4	2.5	4.8	[illegible]
148	96	Nurdin P'k. 10p	98	−6	†h2.25	4.8	3.3	[illegible]
12	10	Panto (P.) 10p	11	......	—	—	—	—
81	27	Paterson (R.)	63	−3	td1.88	2.7	4.9	[illegible]
49	38	Pyke Hldgs. 10p	40	......	—	—	—	—
55	43	R.H.M.	45	−2	3.65	1.9	11.6	(5.4)
*190	142	Rowntree M. 50p	146	−8	‡7.25	2.5	7.2	[illegible]
£17⅝	£12⅝	Safeway Stores	£14½	−⅛	Q$2.60	—	10.0	—
480	330	Sainsbury (J.)	385	−12	7.25	3.2	2.7	13.1
37½	16	Singlo 10p	24½	−1½	1.18	2.2	6.8	[illegible]
£10½	385	Somportex	600	−30	10.0	φ	2.4	φ
40	20	Squirrel H'n 12½p	36	......	‡1.81	2.8	7.2	(6.7)
194	128	Tate & Lyle £1	156	......	10.5	2.2	9.6	5.3
30	22	Tavener Rut. 20p	28	......	—	—	—	—
71	48½	Tesco 5p	49	−2	2.55	2.5	7.4	(6.9)
127	83	Unigate	86	−4	6.2	2.0	10.3	(5.5)
137	77	United Biscuits	98	−8	†4.37	2.5	6.5	(7.3)
50	34	Watson Phip. 10p	41	−2	3.0	1.1	10.5	[illegible]

HOTELS AND CATERERS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
88	46	Brent Walker 5p	47	−1	1.75	3.3	5.3	6.3
26½	13½	Comfort Int. 10p	13½	−1½	0.6	3.6	6.4	5.6
265	180	De Vere Hotels	180	−10	6.0	1.1	4.8	(28)
35	24	Epicure 5p	24xd	−1	1.5	φ	8.9	φ
222	138	Grand Met. 50p	158	−6	†6.63	2.7	6.0	7.1
144	78	Kennedy Brkes 10p	110	−7	bd1.05	7.2	1.4	10.7
100	90	Kursaal (NFt. £25)	100	......	Q11.3%	2.5	4.8	(8.2)
*175	114	Ladbroke 10p	119	−7	‡7.43	2.6	8.9	5.4
25	24	Mt. Charlotte 10p	24	−½	0.7	2.8	7.4	7.9
49	21	Norfolk Cap 5p	21	−2	‡1.2	1.3	‡	(2.2)
45	24	North (M.F.) 10p	37	−1	0.8	1.3	3.1	(3.2)
85	40	Prince of Wales	40	−17	1.75	2.1	6.2	(9.1)
37½	25	Queen's Moat 5p	30	−2	‡1.1	2.0	5.2	(11.6)
£145	£111	Do. 10¼pc Cnv. 89-91	£126	−5	Q10¼%	—	f8.5	—
145	115	Rowton Hotels	127xd	−5	7.0	1.7	7.9	10.6
15	8½	Ryan Hotels 5p	9	......	[illegible]	2.1	10.0	9.2
208	116	Savoy "A" 10p	180	−10	1.15	—	0.9	—
55	39	Stakis (Reo) 10p	39	−2	‡1.4	3.3	5.1	7.1
*167	102	Trusthouse Forte	102	−7	‡6.0	2.1	8.4	7.0
430	240	Wheeler's 10p	240	......	5.08	2.0	2.5	22.8

INDUSTRIALS (Miscel.)

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
45	28	AAA Inds.	30	......	2.15	1.8	10.2	[illegible]
208	147	A.A.H.	147	−10	9.4	3.1	9.1	4.8
£25⅝	£18½	AGA AB Kr50	£19	......	Q85¼%	φ	4.0	φ

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INDUSTRIALS—Continued

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
108	39	Haskins & H 20p	87xd	−1	†2.0	—	3.3	—
76	48	Howard Tenens	48	−9	1.55	0.6	4.6	53.3
420	230	Hunting Assoc.	230	−35	5.0	5.8	3.1	5.8
160	102	Huntleigh 10p	102	−10	†1.5	4.2	8.1	12.4
226	120	Hutch Whampoa SHK1	123	−18	tQ34c	φ	2.6	φ
15	9	Hyman (I. & J.) 5p	9	−1½	$0.83	3.6	‡	2.2
£20¾	£12⅝	I.C. Industries$	£16½	−⅛	Q$2.20	—	7.4	—
70	25	ICL	25	−2	‡2.97	—	‡	—
44	35	Ingall Inds. 10p	36	−3	†2.5	1.6	9.9	9.9
251	183	Initial Services	183	−15	9.0	2.3	7.0	8.4
23	9	Inter-City 20p	11	−3	—	—	—	—
85	39	J. B. Holdings 10p	65	.....	3.0	4.9	6.6	4.2
192	110	Jacksons Bourne	158	−17	5.0	1.4	4.5	23.3
27	12	James (M.) Inds. 10p	20	−2	1.0	3.3	7.1	4.7
240	128	Jardine M. SHK5	128	−17	Q88c	2.0	6.5	7.9
25½	15	Jentique	15	−1	‡1.03	—	‡	—
10	6½	Johnson & Barnes	7#	.....	—	—	—	—
257	152	Johnson Clnrs.	185	−13	†7.0	3.4	5.4	6.3
*300	186	Johnson Mthy. £1	225	−27	9.5	2.3	6.0	(8.3)
92	67	Jourdan (T.) 10p	67	.....	5.25	1.8	11.2	7.0
81	39	Kalamazoo 10p	39	−4	‡3.75	1.4	‡	6.4
170	133	Kelsey Inds.	153	−2	48.0	4.7	8.6	3.5
148	112	Kennedy Sm. 10p	143	−2	4.38	3.2	4.5	10.0
330	225	Kershaw (A.) 5p	225	−25	21.75	0.6	13.8	(21.4)
75	50	Kleen-E-Ze Hldgs.	50	−5	5.5	0.7	15.7	(14.6)
75	56	L.C.P. Hlds.	56	−4	4.3	1.0	11.0	(12.2)
48½	37	L.R.C. Int. 10p	39	−2½	2.5	1.6	9.2	8.8
56	35	Lawtex	35	−2	‡4.0	1.0	‡	(9.3)
178	116	Lead Inds. 50p	153	−5	9.66	1.4	9.2	10.6
80	55	Leadenhall Sterling	65	+2	3.5	1.5	7.9	10.6
330	300	Lep Group 10p	303	−5	16.5	2.1	7.9	7.0
28	13	Lesney Prods. 5p	13	−2	—	—	—	—
148	73	Letraset 10p	138	+1	φ7.14	b1.3	7.4	(13.7)
45	30	Lilleshall 10p	34	−3	3.5	2.7	13.9	(3.0)
36	25	Lon. & Liv. 10p	25	−3	1.7	3.3	9.3	3.9
128	95	London & Mid'd	95	−6	7.75	1.3	11.7	8.2
49½	29	Lon. & Nthn. Grp.	34	−½	3.75	2.5	15.8	2.9
8½	5½	Long Hmbly. 10p	7	.....	—	—	—	—
68	45	Longton Inds.	44	−4	1.0	—	3.2	—
47	28	Lonsdale Univrsl.	30	.....	‡1.85	2.9	‡	5.0
212	150	Low & Bonar 50p	150	−20	14.5	1.6	14.3	(5.7)
49	27	M.Y. Dart. 10p	27	.....	2.9	1.8	15.3	(4.3)
168	108	M'c'rthy Pk. 20p	133	−6	7.0	3.0	9.3	4.6
78	70	Macfarlane Gp.	70	−2	3.7	1.9	7.6	8.7
39	15	Maclellan 20p	37xd	+½	1.45	1.7	5.5	(31.1)
77	56	Macpherson (D.)	56	−2	φ4.2	0.8	10.7	16.3
60	50	Magnolia Group	50	.....	2.1	4.5	6.0	4.8
205	110	Man. Ship Can. £1	110	.....	‡7.5	—	‡	—
51	32	Marley	32	−3	2.25	1.6	10.0	(7.6)
26	14¼	Marling Ind. 10p	21½	.....	0.94	1.4	6.2	(15.0)
41	21	Marshall L'sy. 'A'	34xd	+1	2.78	3.6	11.7	2.8
82	53	Marshall's Univ	74	.....	0.1	—	0.2	—
26	12	Martin-Black	18	−2	—	—	—	—
£165	£395	Mathesons 7¾pc	£385	−5	Q7¾%	2.9	F7.2	—
208	156	Maynards	173	−19	9.38	φ	7.7	φ
224	130	Metal Box £1	134	−10	10.71	1.0	11.4	(11.7)
126	78	Metal Closures	98	−8	5.4	2.5	7.9	5.9
26	12	Mettoy	12	−1	0.1	—	1.2	—
18	10	Do. Defd.	10	.....	—	—	—	—
29	12	Mohen Grp. 10p	12	.....	—	—	—	3.0
£161	£117	M'santo 5pc 82-6	£117	.....	Q5%	—	f4.3	—
*146	92	Morgan Crucible	92	−12	7.5	1.6	12.1	6.4
43½	15	Moss (Robt.) 10p	35	−3	φ1.6	b2.4	6.5	(7.7)
18	6	Myson Gp. 10p	13	−1	‡b0.25	—	‡	—
58	30	Nash (J. F.) Secs.	30	−3	‡6.5	1.0	‡	4.6
£46½	£35	N.C.R. 4% 93/98	£40	.....	Q4%	φ	f10.4	—
66	22	Neil&Sp'ncer 10p	27	−1	‡2.1	—	‡	—
28½	14	New Equip 10p.	22xd	+½	1.05	4.5	6.8	4.2
48	28	Nolton	32	−5	0.6	0.9	2.7	(28.2)
*111½	71	Norcros	81	−3	5.52	2.2	9.7	5.5
32	16½	Nu-Swift 5p	27½	−½	†2.05	1.5	10.6	8.8
140	78	Oakwood Grp.	103	−9	φ6.5	3.4	9.2	4.0
420	250	Office & Elect.	250	−35	7.0	3.5	4.0	9.6
190	66	Ofrex 20p	190	.....	φ13.67	2.4	2.8	(11.3)
19	14	Ovenstone 12½c.	16½	.....	Q3c	2.3	20.4	4.2
£75	£64	Ozalid Fin. Cv.	£54	−1	Q9%	—	f14.7	—
*34	14	P.M.A. (Holdings)	14	.....	φ‡1.25	—	‡	—
130	103	Parker Knoll 'A'	111	−4	7.5	φ	10.1	φ
171	122	Pauls & Whites.	138	−11	6.5	3.2	6.7	5.0
94	72	Peerless	80	−6	6.3	1.3	11.2	(9.3)
60	41	Pentland 10p	51½	−4½	†1.65	4.8	4.6	5.0
55	50	Pentlow 10p	53	.....	—	—	—	—
34	13	Pentos 10p	19	−3	‡d1.4	—	‡	—
35	15	Do. Defd. 20p.	15	−3	—	—	—	—
56	32	Petrocon 12½p.	42	−1	20.75	—	2.6	—
26	12	Phillips Patents	20	−3	1.0	—	7.1	—
375	348	Photo-Me 50p	350	.....	9.45	4.1	3.9	9.0
358	245	Pilkington Br. £1.	245	−35	10.5	3.2	6.1	5.6
£82	£58	Pitn'y Bowes Ln.	£50	.....	Q5½%	φ	f9.6	—
39	18	Plastic Const. 10p.	20	−3	d2.67	2.2	19.0	3.8
10	5	Platignum 5p	5½	−½	0.01	—	—	—
160	60	Polymark 10p	63xd	−1	3.7	1.5	8.4	(9.8)
*506	380	Portals	458	−22	†12.25	3.3	4.0	8.4
286	213	Powell Duff. 50p.	226	−10	14.25	2.8	9.0	(6.5)
94	58	Pres (Wm.) Grp. 10p	60	−7	g2.76	2.4	6.7	7.4
146	118	Prestige Group	135	−7	6.88	2.4	7.3	7.0
177½	111½	Pritchard Svs. 5p.	127	−3	$5.0	1.5	5.6	15.6
53	35	R.F.D. Group 10p	41	−2	2.8	1.4	9.8	(9.5)
66	47	Radiant Mtl. 12½p	54	−4	3.0	2.0	8.2	8.7
216	135	Rank Org.	135	−7	10.8	1.7	11.4	6.2
308	174	Reckitt & Colman	235	−11	†8.5	2.0	5.3	(11.9)
200	135	Redfearn Glass.	135	−7	‡10.56	—	‡	—
47	27	Reed Exec 10p.	27	−10	1.5	1.0	7.9	(17.2)
286	180	Reed Intl. £1	210	−23	13.0	3.0	8.8	(4.2)
121	73	Relyon PBWS	102	−2	†4.8	2.4	6.7	7.1
205	125	Renown Inc. Y50.	168	−7	tQ22%	—	1.5	—
90	68	Renwick Group.	83	−1	φ‡3.5	3.3	‡	5.6
102	62	Restmor	82	.....	5.0	2.7	8.7	6.1
38	18	Rexmore	19	−2	1.0	—	7.5	—
*590	370	Ricardo	375xd	−30	8.5	φ	3.2	φ
89	39	Riley (E. J.) 10p	70	−4	3.5	1.5	7.1	12.9
29	20	††Roche Plant 10p	26	.....	1.2	0.2	6.6	—
20	12	Rock Darlam 10p	13	−2	—	—	—	4.4
79	48	Rockware	48	−5	2.1	5.1	6.2	3.4
68	46	Ropie & Noise 10p.	46	−2	1.5	2.7	4.8	9.3
225	155	Rotaner Hld'gs.	155	−15	6.5	4.0	6.0	5.2
222	150	Do. 'A'	150	−8	6.5	4.0	6.2	5.1
17	8	Rotaprint 20p	11xd	−2	0.1	—	1.1	—
42	24	Rowan & Boden	24xd	−1½	‡2.21	—	‡	—
293	140	Royal Worcs.	140	−40	8.6	3.5	8.8	3.9
162	72½	Russell (Ac.) 10p	118xr	−36	b1.25	5.7	1.6	22.4
16½	10	Ryan (L.) 5p	10	−1	—	—	—	8.8
114	69	St. George's Gp. 10p	69	−5	F3.75	2.9	7.8	(6.3)
£12¼	800	St.-Gobain Frs.100	957#	.....	Q18.3%	2.9	18.9	1.8
235	166	Sale Tilney	185xd	−11	†7.5	3.5	5.8	5.4
61	40	Sandhurst Mkt. 10p.	40	−5	1.93	2.4	6.9	7.0
85	40	Sangers Grp.	45	−5	1.8	—	5.7	—
164	93	Scapa Group	119	−16	6.55	2.8	7.9	7.4
£39¼	£28½	Schlumberger $1	£28½	−⅛	hQ83½c	—	1.6	—
140	98	Scottcros	98	−2	5.52	2.4	8.0	(6.8)
36½	28	Scot. Heritable	32	−1	2.5	1.5	11.2	(7.6)
71	45	Sears Hldgs.	45	−2½	2.3	2.3	7.6	8.2
210	155	Securicor Gp.	155	−10	†1.61	b9.5	1.5	9.7
195	152	Do. 'A' N-V	155	−6	†1.61	b9.5	1.5	9.7
210	155	Security Services	155	−10	†2.71	3.9	2.5	12.8
205	154	Do. 'A' N-V	155	−12	†2.71	3.9	2.5	12.8
155	103	Sharna Ware 20p	107	−13	3.47	3.8	4.6	6.2
222	94½	Sidlaw Inds 50p	150	−6	†3.0	—	2.9	—
204	156	Siebe Gorman	171	−2	7.26	2.6	6.1	7.3
93	47	Silentnight 10p.	77	−3	3.5	2.4	6.5	7.8
37	25	Silv'rthorne 10p	35	.....	1.5	3.4	6.1	6.8
80	62	Simpson (S.) 'A'	74	−2	‡4.36	2.2	‡	7.3
280	224	Sketchley	224xd	−9	9.0	2.2	5.7	11.4
113	77	Smith&Neph. 10p	85	−1	†hd3.47	2.1	5.8	(9.7)
401	256	Smiths Inds. 50p	280	−30	φ10.0	4.2	5.1	7.5
30	21	Solic. Law 20p	28	.....	—	—	—	—
21	14	Somic	20	.....	1.0	—	7.1	—
510	345	Sotheby P.B.	345	−15	φ12.5	2.4	5.2	9.2
100	50	Sparrow (G. W.) 20p	50	−5	‡2.0	1.2	‡	(9.8)
123	85	Spear (J.W.)	85	.....	6.0	2.8	10.1	(5.9)
121½	80½	Spring Grove	80½	−2½	4.0	2.5	7.1	6.3
59	36	Staffs. Potts	36	−2	‡1.13	3.5	‡	6.9
100	83	Stag Furniture	83	−4	5.0	2.0	8.6	6.9
102	52	Std. Fireworks	79	−5	h5.0	3.7	9.0	4.2
95	45	Standard Ind.	47	+2	0.9	—	2.7	—
90	60	✦Stanelco 10p	60	−6	—	—	—	18.4
230	175	✦Star Comp. 10p	175	−13	u2.0	4.3	1.6	18.2
222	152	Steetley	160xd	−2	10.5	1.5	9.4	(9.0)
80	50	Stelux Manf. HK$1	57	.....	NQ40c	—	6.0	—
35	29	Sterling Inds. 2½p	29	−2	1.65	8.8	8.1	(24.5)
133	72	Stocklake	112	−8	†4.0	8.4	5.1	2.4
118	92	Stonehill Hlds.	95	−1	8.5	8.5	12.6	(31.1)
110	81	Sunlight Serv. 10p	81xd	−7½	†2.5	4.0	4.4	6.6
53	36	Sutcliffe Speak.	44	.....	—	—	—	—
£13½	875	Swedish Match K50.	925	−62	Q14%	1.4	7.5	9.6
180½	97	Swire Pac. A 60c	102	−3	Q60c	1.7	5.5	10.7
178	140	Syltone	155	−5	d9.0	0.9	8.3	(20.3)
6½	2¾	Talbex 5p	3	−¼	—	—	—	—
*123	85	TSL Th'rmal Synd	85	−7	φ7.0	2.2	11.8	4.7
10	7	Th. Times Vn. 5p	7	.....	—	—	—	—
39	33	Third Mile Inv.	34	−2	1.58	1.9	6.6	(9.5)
165	112	TNT A$0.50	145	.....	♦Q12c	φ	5.8	φ
195	134	Tilling T. 20p	141	−15	7.5	1.9	7.8	(8.8)
58	26	Toothill R.W.	44	.....	3.5	2.9	11.4	4.0
69	37	Toye	37	−1	1.63	—	6.3	—
107	75	Trafalgar H. 20p	78	−3	†5.85	2.1	10.7	6.1
85	60	Transport Dev.	60	−2	4.25	2.1	10.1	5.7
108	92	✦Trident Comp 10p	93	−2	bd1.5	4.8	2.2	16.4
67	51	Triefus	56	−2	2.88	5.1	7.3	(4.9)
118	70	Turner & New. £1	73xd	−6	6.0	—	11.7	—
75	48	UKO Intl.	48	−1	5.0	1.2	14.9	(7.3)
652	438	Unilever	520	−18	22.91	2.6	6.3	6.9
£19½	£14¼	Un'v N.V.Fl.12.	£16⅝	−1⅛	Q55.6%	2.6	8.9	4.3
166	113	Utd. Carriers 10p	113	−13	3.5	3.6	4.4	7.8
79	45	United Gas Inds.	56	−11	4.9	1.5	12.5	(7.0)
20	9½	U. Guarantee 5p.	15	−1	‡0.5	—	‡	—
24	14	Unochrome 10p	24	.....	φ0.65	5.9	3.9	5.9
70	36½	Valor	41	−3	2.66	2.2	9.3	(5.6)
16½	4	Viners 10p	4	−½	φ—	—	—	—
182	87	Vinten Grp. 20p	134xc	−12½	h1.75	4.2	1.9	17.3
*22	10	"W" Ribbons 10p	13	−1	—	—	—	—
117	73	W.G.I.	73	−2	6.0	0.3	11.7	—
55	37	Wade Potts. 10p	37	.....	2.0	4.1	7.7	4.2
11	7	Walker Hmr. 5p.	8	−1	—	—	—	—
154	98	Ward (T. W.)	109	−12	†7.2	2.5	9.4	5.8
23	19	Waterford 5p	19	−1	Q35.5%	1.9	8.2	7.4
425	342	Watshams's	400	−8	10.0	1.9	3.6	18.2
103	56	Watson R. K. 10p	60	−6	d3.3	1.4	7.9	12.7
93	51	Wedgwood	66	−5	3.3	2.9	7.1	5.8
160	93	Westn. Board 10p.	140	−8	5.9	2.3	6.0	10.3
85	48	W'lock. M. A. HK$1	59	−5½	tQ25c	2.7	4.7	7.8
188	70	Whatman R Angel	160	.....	3.5	2.6	3.1	(14.1)
72	41	Whitecroft	44	−3	3.85	1.3	12.5	(8.0)
87	58½	Wilkes (J.)	60xd	+1½	4.13	1.5	9.8	(8.6)
44	16	Wilkins Mitchell	18	.....	—	—	—	—
37	20	Williams (J.)	21	−1	‡2.85	—	‡	—
99	50	Wills (George)	68xd	−4	†4.5	2.6	9.5	4.8
290	225	Wolseley-Hughes	225	−10	φ12.5	3.3	7.9	4.8
53	28	Wimpole Shr. Ldy 5p	37	−3	0.75	2.9	2.7	(23.9)
15	6	Wood & Sons 5p	6	−½	‡0.7	—	‡	—
25	13½	Wood (Arthur) 5p	17	−½	1.0	4.4	8.4	3.3
168	86	Wood Hall	111	−16	6.21	1.6	7.6	(9.9)
102	70	✦Zygal Dyn. 5p.	70	−18	u0.75	6.3	1.5	11.0

INSURANCE

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
28	13	Brentnall Bd. 10p	25	−1	—	—	—	—
302	214	Britannic 5p	254	−10	†13.9	—	7.8	—
£21⅛	735	Combined Int. $1	£10⅜	−⅛	Q$1.60	—	8.2	—
187	135	Comm. Union	140xd	−3	†10.8	—	11.0	—
327	221	Eagle Star	275	−8	†15.0	—	8.0	—
25	14	Edn. Gen. Ins. 10p.	14	−3	‡1.0	—	9.5	—
£129	£106	Emie UK 9% Cnv.	£106	.....	Q9%	—	F8.7	—
438	284	Equity & Law 5p	354	−20	13.0	—	5.2	—
390	284	Gen. Accident	302	−16	†13.5	—	6.6	—
*380	268	G.R.E.	284	−34	†15.5	—	8.0	—
436	227	Hambro Life 5p	332	−31	d9.6	—	4.3	—
315	167	Heath (C.E.) 20p.	262	−15	10.5	2.3	5.7	8.9
128	93	Hogg Robinson	93	−9	6.0	2.8	9.2	7.6
146	88	Howden (A.) 10p.	127xd	−4	φ47.0	1.7	7.9	9.7
£86	£34	Do. Warrants	£82	−2	—	—	—	—
324	247	Ins. Corp. Ireland	315	.....	Q60.7%	7.0	4.3	4.8
268	187	Legal & General	217xd	−5	†9.0	—	5.9	—
£11¼	987	Liberty Life SA R1	£10	.....	‡Q140c	—	8.0	—
308	184	Lon. & Man. 5p	248	−8	†φ10.5	—	6.1	—
230	170	London United 20p.	190	−10	9.0	2.0	6.8	10.7
£20⅛	£12⅝	Marsh McLen'n $1	£19⅝	+⅛	Q$2.00	—	5.8	—
156	84	Minet Hldgs. 20p.	128	−12	4.55	1.8	5.1	15.6
21	21	Moran (Chris) 20p	21#	.....	4.0	1.2	27.2	4.4
472	348	Pearl 5p	368	−18	†20.0	—	7.8	—
320	236	Phoenix	240	−12	†14.9	—	9.2	—
342	186	Provident	336	+7	φ11.4	—	5.0	—
257	209	Prudential	225	−6	†11.0	—	7.5	—
274	194	Refuge 5p	216	−14	†12.3	—	8.1	—
*425	332	Royal	338	−17	†24.0	—	10.4	—
159	104	Sedgwick 10p	127	−6	†5.0	2.0	5.6	12.6
102	79	Stenhouse	91	−3	4.65	1.8	7.3	9.6
241	180	Stewart Wr. 20p	167xd	−19	12.0	1.3	9.2	10.9
£10⅞	688	Sun Alliance £1	795	−40	†33.0	—	6.0	—

INSURANCE—Continued

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
345	239	Sun Life 5p	277	−19	φ9.0	—	4.6	—
758	543	Taisho Mar. EDR	650	−21	φQ10%	—	0.2	—
208	185	Trade Indemnity	190	.....	†6.34	—	4.8	—
£27½	£15⅞	Travelers $2.50	£26⅞	−¼	Q$2.88	—	6.4	—
403	257	Willis Faber	317xd	−2½	†12.0	2.2	5.4	11.9

LEISURE

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
63½	56½	A-R TV Pref. £1	57	.....	5.95	φ	14.9	—
93	72	Anglia TV 'A'	76	−5	†5.0	4.6	9.4	2.7
148	75	Assoc. Leisure 5p	75	−3	5.25	2.2	10.0	5.4
84½	50	Barr & W.A.T. 'A'	50	−11	3.0	—	8.6	—
65	30	Black Edgtn. 50p	51	−3	1.0	—	2.8	—
192	121	Boosey & Hawkes	132	−4	5.67	—	6.1	—
56	32½	Campari Int. 20p	32½	−½	‡4.0	1.7	‡	(4.2)
60	32	Fairline Boats 10p	32	−2	‡d3.5	1.2	‡	8.8
58	29	Glasgow Pavilion 10p	30	.....	—	—	—	—
46	35	Grampian TVA 10p	36	.....	2.75	2.4	10.9	5.4
103	74	HTV Non/Vtg.	82	.....	30.0	2.2	17.4	3.9
104	41	Hawley Leisure	47xd	−6	†h2.67	2.9	8.3	(6.8)
*294	117	Horizon	177	−21	†5.0	5.1	4.0	9.8
96	69	✦Intasun 10p	73	.....	g2.8	4.5	5.5	4.9
64	24	††Intervision 10p	24	−5	—	—	—	—
27	15	Lancaster (D. M.) 5p	16	−1	0.41	2.2	3.8	11.6
110	88	LWT "A"	90	−3	10.07	1.8	16.0	(4.3)
216	97	Magmt. Ag. M. 10p	97	−3	8.75	2.8	12.9	3.2
72	47	Medminster 10p	66	−3	†2.7	3.9	5.8	6.0
12	8	††Nationwide 5p	8	−½	—	—	—	60.1
50	30	Norton & Wr. 10p	35	−5	d1.0	—	4.3	—
*77	60	Old Swan (H'gate) 10p	60	.....	g0.8	1.6	1.9	53.8
13	8½	††Pan Atlas 20p	8½	.....	—	—	—	14.4
62	38	Photax (Lon.)	57	.....	3.5	4.8	8.8	3.5
335	182	Pleasurama 5p	232	−18	†6.5	5.2	4.0	6.9
380	298	Saga Hols. 20p	298	−12	†7.0	3.1	4.3	8.2
310	145	Samuelson 20p	150	−15	d8.77	0.3	7.8	—
89	65	Scott. TV 'A' 10p	65	−5	5.95	9.9	13.1	3.3
11½	5½	††Tom Hill	5½	−½	—	—	—	5.6
57	36	Trid'nt TV 'A' 10p	36	−7	4.0	1.6	15.9	5.6
31	13	Webb (Jos.) 5p	19xr	−1	hd0.51	2.7	3.8	11.0
112½	73	Zetters 5p	73xd	−4	2.75	φ	5.4	φ

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
23	15	B.L. 50p	16	.....	—	—	—	—
150	91	Gen. Mts. Units	122	+1	Q12c	—	5.5	—
60	35	✦Hesketh Motor 50p	35	−5	—	—	—	—
280	100	Honda Motor Y50.	191	−27	Q10%	11.9	0.6	14.1
36	18	Lotus Car 10p	20	−6	0.7	φ	5.1	φ
8½	3½	✦Reliant Motor 5p	6½	.....	—	—	—	—
£17½	750	Volvo Kr50	£13	−½	Q16%	5.4	6.1	3.0

Commercial Vehicles

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
56	35	E.R.F. (Hldgs.)	36	.....	0.1	—	0.4	—
157	113	Plaxtons (GB)	113	−7	8.5	4.4	10.7	2.1
21	9½	York Trailer 10p	9½	−½	B—	—	—	—

Components

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
55	35½	A.E.	38	−2	12.1	—	—	—
86	61½	Abbey Panels	73	−4	d2.05	7.7	4.0	4.6
28	11	Airflow Stream	11	−2	0.1	—	1.3	—
54	33	Armst'ng Eq. 10p	33xd	−2	1.5	φ	6.5	φ
75	42	Automotive	48	−4	‡3.02	—	‡	—
45	21	Bluemel Bros.	28	−1	‡3.3	1.7	‡	4.4
29½	19	Brown Bros. 10p.	27½	+2½	φ—	—	—	—
£17¼	896	Dana Corp $1	£14	+⅛	Q$1.60	—	6.3	—
37	25	††Delilight	25	.....	‡d3.0	2.4	‡	3.0
305	187	Dowty 50p	202	−9	5.0	3.4	3.5	9.2
87	57	Dunlop 50p	67	.....	4.0	—	8.8	—
*387	229	Flight Refuelling.	250	−20	†3.75	6.2	2.1	12.6
30	10½	Hmm. Smith 10p	23	−2	†h0.37	8.7	2.3	7.2
112	65	Kwik-Fit Hldgs. 10p.	65	−14	b1.36	3.2	3.0	14.9
240	159	Lucas Inds. £1	184	−9	11.0	—	8.5	—
58	38	Solex (UK) A 50p	38	−2	0.1	—	0.4	—
61	44	Supra Group 10p.	47xd	−4	2.0	1.0	6.1	22.3
47	27	Woodhead (J.)	27	−2	0.1	—	0.5	—

Garages and Distributors

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
95	47	Adams Gibbon	72	−10	3.75	1.9	7.4	(8.6)
11¼	7½	Alexanders 10p	9½	−1	—	—	—	5.5
69	34	Appleyard Grp.	57xd	−2	20.1	—	0.2	—
116	69	Arlington Motor	69	−3	5.0	0.5	10.4	(61.0)
72	58	Attwood Garages.	61	−3	‡1.45	—	‡	—
23	11	BSG Int. 10p	11	−1½	—	—	—	—
30	16	Braid Group 5p.	21	−4	—	—	—	—
115	83	Bramall (C. D.).	102xd	−4	d5.55	3.2	7.8	5.8
*87½	57	Brit. Car Auct. 10p	57	−6	b3.2	1.8	8.0	10.1
138	96	Caffyns 50p	105	−2	4.5	—	6.1	—
48	26	Cowie (T.) 5p	26	−½	3.0	2.1	16.5	3.5
96	36	Davis Godfrey	79	−3	3.5	2.9	6.4	7.7
36	22	Dorada	22	−3	‡2.1	—	‡	—
54	36	Gates (F.G.)	45	−2	2.0	4.9	6.4	4.3
38	30	Glanfield Lawr.	31	.....	—	—	—	—
43	23½	Hanger Invs. 10p.	23½	−5½	—	—	—	—
83	49	Harrison (T.C.).	68	−6	2.95	2.7	6.2	8.5
106	55	Hartwells	55	−8	5.37	1.7	13.9	(5.3)
99	60	Henlys 20p	60	−3	6.0	—	14.3	—
31½	19	Heron Mtr. Grp.	19	−4	0.8	—	6.0	—
47	38	Hurst (Charles)	40	.....	d2.98	—	11.1	—
36	22	Jessups	22	−5	2.0	—	13.0	—
87½	56	Kenning Mtr.	56	−6½	5.5	0.1	14.0	—
124	81	Lex Service Grp.	83	−7	7.0	1.9	12.0	(5.1)
56	35	Lookers	44	−3	3.85	2.8	12.5	5.5
14½	10	Manor Nat. Group 20p	12	−1½	—	—	—	—
12	6½	Nelson David 5p	6½	−½	—	—	—	—
100	67	Perry (H.) Mtrs.	71	−11	3.5	2.7	7.2	6.8
67	34	Quick (H. & J.) 10p	41	−2	1.15	1.2	4.0	(27.3)
94	56	Tate of Leeds	72	−5	1.25	16.5	2.5	2.5
90	65	Western Mtr.	65	−12	—	—	—	—

NEWSPAPERS, PUBLISHERS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
315	202	Ass. Book P. 20p.	260	−38	7.5	1.5	4.1	(19.9)
293	170	Assoc. News	175	−3	φ10.4	3.4	8.5	4.9
107	65	BPM Hldgs. 'A'	88	−10	†5.25	2.7	8.5	4.9
82	47	Benn Brothers	78	−2	3.8	2.1	7.0	8.2
81	65	Black (A. & C.).	73xd	−6½	2.0	—	3.9	—
243	105	Bristol Post	185	−20	11.0	0.8	8.5	21.5
263	122	Collins William	195	−13	b7.5	2.4	5.5	(8.6)
173	93	Do. "A"	133	−10	b7.5	2.4	8.1	(5.9)
523	345	Daily Mail 'A' 50p.	345	−23	†‡26.0	1.2	10.8	10.8
118	80	E. Mid. Allied 'A'	80	−4	3.5	3.0	6.2	7.3
100	75	✦Fleet St. Ltr. 5p	83	−12	u2.5	1.9	4.3	17.4
201	88	Gordon & Gotch	120	−3	s7.5	2.1	8.9	7.5
148	110	Haynes Pub.	120xd	.....	8.0	φ	9.9	φ
80	48	Home Counties.	48xd	−3	6.5	0.7	19.0	18.5
115	90	Independent	90	−5	Q62.9%	1.4	15.9	6.5
315	220	Int. Thomson$	220	−8	†12.36c	—	3.1	—
315	226	Do. Conv.	226	−28	10.5	—	f6.7	—
235	193	Link House 20p	195	−15	10.0	φ	7.6	φ
152	81	L'pool D. Post 50p	120xd	−10½	†9.5	1.3	11.3	(8.7)
133	85	News Int. Sp. Div.	85	−8	g4.5	5.3	7.8	5.2
186	149	Pearson Longman.	149xd	−5½	8.36	3.0	8.0	4.7
125	75	Portsm'th & Sund.	96	−6	3.25	4.8	4.8	5.5
123	110	Routledge & KP	115	−5	3.0	3.8	3.7	9.8
425	220	Starpe (W. N.) Hldgs.	390	.....	†7.0	5.7	2.6	9.8
225	155	Utd. Newspapers.	155xd	−15½	12.0	1.5	12.7	6.7
56	33	Websters Grp. 5p	45	−3	2.3	2.1	7.3	8.2

PAPER, PRINTING ADVERTISING

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
*29½	21	✦A.I.D. 10p	21	−1½	‡0.25	—	1.7	—
41	24	Assoc. Paper	41	.....	‡2.0	1.1	‡	(17.2)
41	24	Ault & Wiborg	24	−1	‡1.8	2.7	‡	3.9
25	12	BPC	19	−2	B—	—	—	—
63	25	Bemrose	39xd	−5½	‡3.0	2.6	11.0	(4.8)
83	50	Brunning Grp.	60	−3	d4.03	—	9.6	—
80	42	Do. Restric. Vtg.	45	−5	d4.03	—	12.8	—
147	109	Bunzl Pulp	113xd	−8½	†7.23	3.2	9.5	4.5
35	25	Capseals 5p	31	.....	d3.3	3.0	15.2	2.5
33	23	Causton (Sir J.)	25	.....	2.01	2.1	11.5	5.8
198	110	Chapman Bal. 50p.	160	−3	6.5	4.6	5.8	5.4
73	32	Clay (Richard)	32	−3	‡3.0	0.6	‡	(24.0)
95	68	Clondalkin Group.	68	−7	Q35.7%	4.5	11.6	2.7
21	12	Cradley 10p	14	−1	d0.53	3.9	5.4	6.2
140	97	Cropper (James)	130	−5	2.5	1.8	2.7	(25.1)

For Culter Guard See G.B. Papers

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
18	10	Delyn 20p	14	.....	—	—	—	13.9
101	70	DRG	70xd	−8	6.0	0.7	12.2	(12.6)
78	45	East Lancs. Ppr	53	.....	3.5	0.3	9.4	—
225	100	Eucalyptus	200	−3	6.0	6.5	4.3	3.7
105	68	Ferry Pick 10p.	92	−2	2.6	3.7	4.0	9.7
22½	17½	G.B. Papers	19½	.....	—	—	—	—
150	52	Geers Gross 10p.	100	−12	4.0	2.3	5.7	12.9
92	74	††Harrison Cowley	80	.....	3.85	2.7	7.0	7.6
24	14½	✦L.C.A. Hldgs. 8p.	14½	−½	0.1	7.6	1.0	19.1
150	93	McCorquodale 50p	107	−10	†7.89	2.2	10.5	(4.9)
32	20	Melody Mills	20	.....	—	—	—	—
502	308	Mills & Allen 50p	358xd	−42	20.0	φ	8.0	φ
132	71	More O'Ferr. 10p	115	−5	h3.0	3.9	3.7	9.8
£18¼	£10⅞	Ogilvy & M. $2.	£15⅝	+⅛	Q$1.40	—	5.0	—
32	15	Olives Paper 20p.	28	.....	—	—	—	—
22	12	Oxley Print Grp	14#	.....	0.1	—	1.0	—
347	196	Saatchi 10p	230	−35	†h4.8	3.3	3.0	14.3
111	83	Smith (David) 20p.	90	.....	7.0	1.9	11.1	6.8
*86	62	Smurfit (Jeffsn.)	73	−5	hQ6.2%	φ	7.9	φ
46	24	Transparent Ppr.	27	.....	0.7	11.8	0.5	16.9
68	40	Usher Walker 10p.	60	.....	4.07	2.9	9.7	3.9
25	10	Wace Group 20p	10	−5	1.44	0.3	21.7	—
156	80	Waddington (J.)	85	−13	6.0	—	10.1	—
205	153	Watmoughs	153	−16	5.25	3.6	4.9	6.3
20	9	Wyatt (W'drow) 5p	9	.....	0.5	—	7.9	—

PROPERTY

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
103	57	All'd London 10p.	57	−5	†h1.19	2.6	3.0	18.3
242	165	Allnatt London	165	−27	d4.4	2.8	3.8	18.3
28½	19½	Amal. Estates	19½	−1¼	—	—	—	—
125	72	Anglo Metropolitan	72	−1	φ—	—	—	φ
175	105	Apex. Props. 10p.	105	−12	2.0	1.6	2.7	33.2
36	24	Aquis. Secs. 5p.	24	−½	0.9	1.2	5.4	23.1
185	150	Austmark Int.	150	.....	—	—	—	—
143	87	Beaumont Props.	87	−7	5.25	1.2	8.6	13.9
132	78	Bearer (C. H.) 10p	90	−18	†7.0	4.9	11.1	2.3
286	203	Berkeley Hambro	208	−12	†6.6	2.3	4.6	13.0
226	180	Bilton (Percy)	184	−8	6.9	1.6	5.4	(14.9)
252	165	Bradford Prop.	165	−18	4.0	3.7	3.5	11.8
108	65	British Land	67	−3	0.25	14.3	0.5	13.4
£346	£224	Do. 12pc Cnv. 2002	£224	−22	Q12%	5.1	f5.4	—
132	99	Brixton Estate	99xd	−4½	†3.15	1.4	4.5	(23.0)
128	91	Cap. & Counties	91	−4	3.4	1.8	5.3	(12.8)
132	85	Cardiff Prop 20p.	95	−10	1.6	1.2	2.4	(49.3)
34	21	✦Carlton Real 10p	21	−4	0.5	1.7	3.5	(22.7)
208	155	C'ntrovincial 20p.	155	−5	2.66	1.7	2.4	34.8
392	300	Chesterfield	300	−30	6.0	1.4	2.9	37.0
780	540	Church'b'ry Est.	590	−40	12.0	1.7	2.9	28.9
630	77	City Offices	77	−5	3.1	0.9	5.8	28.5
164	107	Clarke Nickolls.	107	−4	4.0	2.6	5.4	(8.2)
63	44	Control Secs. 10p	45	−1	2.8	0.9	8.9	(10.6)
*64	42	C'ntry New T. 10p.	42	−3	0.85	3.4	2.9	13.2
20¼	12	✦Crest Int Secs 10p.	12	.....	—	—	—	—
201	105	Daejan (Hldgs)	105	−20	3.85	3.2	5.2	7.3
540	215	Daon Dev Corpn$	281	.....	Q16c	—	2.3	—
27½	17	Dares Estates 10p.	17	−1	d1.13	—	9.5	—
105	62	Espley-Tyas	62	−5	b3.92	1.2	9.0	12.9
151	94	Ests. & Agency.	116	−8	1.0	—	1.2	—
58	35	Ests. & Gen. 20p	45	.....	1.55	2.0	5.0	(11.8)
182	125	Ests. Prop. Inv.	125xd	−3	7.0	φ	8.0	φ
80	58	Evans Leeds	58	−12	h2.0	2.2	4.9	12.6
138	78	Fairview Ests. 50p	78	−12	†h3.95	5.7	7.2	2.6
140	88	Fed. Land	126xd	.....	3.35	1.7	3.8	18.8
48	33	Gooding (W.) 10p.	33	−1	0.23	2.8	1.0	33.1
222	150	Gt. Portland 50p.	154	−4	5.0	1.5	4.6	28.8
94	64	Green (R.) 10p.	64	−6	2.2	2.6	4.9	11.2
16¼	12	Greencoat 5p.	12½	+½	—	—	—	—
207	130	Greycoat Ests. 10p	130	−8	0.37	6.0	0.4	55.7
670	485	Hammerson 'A'	500	−20	9.0	1.2	2.6	44.1
438	338	Haslemere 10p.	344	−24	6.0	2.1	2.5	23.4
117	68	HK Land HK$2.5	71	−18	sQ28c	1.4	3.6	19.4
285	210	Imry Property	210xc	−23	h3.0	1.6	2.0	43.8
100	73	Jermyn Invest.	73	−7	1.63	1.2	3.2	33.7
157	78	Kent (M.P.) 10p.	104	−2	†1.9	6.1	2.6	6.6
40	18	Lapanole Ests. 10p	18	−2	—	—	—	φ
*209½	168	Laing Properties.	168	−4	4.0	1.9	3.4	22.3
£111½	£94	Do. 8½pc Ln 2000-05	£94	−3	Q8½%	—	f9.6	—
69	46	Land Invest.	46	−1	1.0	φ	3.1	φ
352	252	Land Sec. £1	260	−8	h7.6	1.3	4.2	27.4
£266	£174	Do. 10% Conv. '95	£174xd	−12	Q10%	27.9	f5.7	—
129	74	Law Land 20p	95	−10	φh2.0	0.9	3.0	(54.9)
290	190	Lend Lease 50c	220	−15	φQ35%	φ	5.1	φ
463	320	Lon. Prov. Shp. 10p.	320	−40	†2.4	1.6	1.1	—
*140	78	Lon. Shop Prop	78	−12	†3.1	1.8	5.7	11.5
316	205	Lynton Hdgs. 20p	205	−15	3.4	1.5	2.5	40.0
252	184	MEPC	187	−9	†5.75	1.2	4.4	24.5
136	128	Marleech 5½pc Pfd.	128	.....	13.65	1.6	15.2	—

PROPERTY—Continued

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
56	32	Marlborough 5p	32	−2	0.33	1.6	1.4	(9.0)
96	56	Marler Estates	63	+7	2.0	2.4	4.5	(18.8)
29	23	McInerney 10p	23	−1	Q28.6%	2.4	11.0	5.0
148	100	McKay Secs. 20p	100	−15	2.7	1.9	3.9	20.7
129	76	Mountleigh	80xd	−2½	3.5	φ	6.2	φ
202	133	Mountview 5p	133	−15	2.9	7.6	3.1	6.1
125	75	Muckllow (A. & J.)	75	−15	3.88	φ	7.6	φ
400	280	New Cavendish 5p	320	−20	—	—	—	—
209	130	North Brit. Props.	130	−16	†2.8	1.8	3.1	26.1
161	115	Peachey	117	−7	4.0	2.3	4.9	13.1
13½	5¼	Pennine Com. 10p	5¼	−½	—	—	—	—
75	36	Phoenix Mn. & Fin.	36	−9	—	—	—	—
*174	120	Prop. Hldg. & Inv.	120	.....	3.08	1.4	3.7	27.3
265	200	Prop. Part'ship.	200	−30	5.0	2.0	3.6	20.3
184	135	Prop. & Rev.	135xd	−8	3.0	1.6	3.2	28.8
192	100	Prop. Sec. Inv 50p	100xr	−32	b1.44	1.9	2.1	(94.9)
18	11	Raglan Prop 1p	11	.....	φ—	—	—	—
46	29	Regalian	32	−1	—	—	—	6.1
182	130	Regional Prop.	130	−3	2.2	2.4	2.4	24.6
180	120	Do. 'A'	120	−5	2.2	2.4	2.6	22.7
332	205	Rosehaugh 10p	205	−20	2.1	11.1	1.5	8.8
250	190	Rush & Tompkins	193	−10	3.75	0.5	2.8	—
171	79	Samuel Props.	84	−8	†4.2	2.1	7.1	8.4
128	89	Scot. Metrop. 20p	90	−7	†3.25	1.3	5.2	25.8
*78½	48	Second City 10p	48xd	−½	2.22	φ	6.6	φ
155	102	Slough Ests.	103	−10	†2.76	2.0	3.8	(25.7)
£293	£187	Do. 10% Conv. '90	£187	−24	Q10%	22.2	f5.5	—
£135	£99	Do. 8% Cnv. 91-94	£99	−8	Q8%	5.5	f8.9	—
300	300	Stock Conversn.	300	−15	4.0	3.4	1.9	18.7
152	70	Swire Props. SHK1	71	−9	tQ48c	φ	6.3	φ
242	126	✦Thames Inv. & Secs. 10	145	−5	u5.18	1.2	5.1	(22.8)
200	105	✦Do. 12pcCv.Pf. 75p	125	−10	12%	—	10.3	—
62	38	Town Centre	38	−3	h0.83	1.0	3.1	46.1
32½	17	Town & City 10p	17	−3	0.01	—	—	—
184	118	Trafford Park	118xd	−12½	7.25	φ	8.8	φ
19½	13½	Trust of Prop. 5p	13½	−2	0.27	1.1	2.8	45.5
378	206	✦Trust Secs.	215	−20	†u7.88	4.5	5.2	—
535	400	Utd. Real Prop.	400xd	−45	6.0	φ	2.1	φ
395	280	Warner Estate	280	−25	6.5	1.1	3.3	37.9
500	350	Warnford Inv. 20p	350	−20	10.0	1.2	4.1	28.7
£23½	£20¼	Wereldhave DFl.20	£23½	.....	Q35.8%	1.8	6.8	24.5
80	54	W'gmin. & C'ty P.	63	−7	4.0	φ	9.4	φ
40	20	W'minster P. 20p	20	−1	d0.2	4.9	1.4	15.4
29	18	Wilson Peck	19	.....	—	—	—	—
121	68	Winston Ests.	120	.....	φ1.93	4.9	2.3	11.9

SHIPPING

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
335	270	Brit. & Comm.	270	−3	12.5	3.7	6.6	4.9
380	270	Common Bros. 50p	270	−20	14.0	2.3	7.4	8.3
174	145	Fisher (J.)	145	−3	†2.15	4.4	2.1	11.7
445	270	Gotaas-Larsen $1	270	−30	—	—	—	—
160	80	Hunting Gibson	80	−5	6.0	3.5	10.7	3.8
42½	26	Jacobs (J. I.) 20p	26	−2	tsd2.3	1.6	12.6	6.2
46	31	Lon. O'Seas Frtrs.	31	−3	1.07	—	4.9	—
*355	260	Lyle Shipping	260	−25	9.5	4.8	5.2	4.4
28½	6¼	Mersey Dk. Units	18	−2¼	—	—	—	—
190	92	Milford Docks £1	105	−10	0.5	—	0.7	—
150	93	Ocean Transport	93	−4	9.0	b1.5	13.8	(5.9)
163	97	P. & O. Defd. £1	97	−5	8.0	1.3	12.2	(8.6)
195	88	Reardon Sm. 50p	88xd	−½	1.75	7.0	2.8	5.3
178	83	Do. 'A' 50p	85	−5	1.75	7.0	3.1	4.9
146	103	Runciman (W.).	103	−5	7.5	2.8	10.4	4.7
£12½	800	Sea Containers 12½p	962	−113	Q30c	—	1.7	—

SHOES AND LEATHER

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
57	43	Footwear Invs.	50	−1	d5.04	0.7	14.4	15.0
86	69	Garnar Booth	75xd	−2½	6.25	0.8	11.9	(16.1)
42	32	Headlam, Sims 5p.	32	−1	2.37	3.0	10.6	(3.5)
58	33	Lambert Hth. 20p	44	−2	4.06	4.3	13.5	(1.9)
59	35	Newbold & Burt'n.	44xd	−2	3.78	1.2	12.3	8.7
52	42	Pittard Grp.	42	−4	4.0	—	14.1	—
29	15	Scott (David) 10p	15	.....	1.58	1.1	16.7	(7.7)
91	54	Strong & Fisher	64	−3	6.8	—	15.2	—
162	113	Stylo	113	−7	3.0	0.5	3.8	—
74	42	Ward White	42	−3	4.2	1.9	14.3	4.5

SOUTH AFRICANS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
198	102	Abercom R0.30	180	−5	Q31c	φ	9.9	φ
£12	800	Anglo Am. In. R1.	£11⅓	+⅛	†Q140c	3.1	7.0	4.6
470	355	Barlow Rand R.10c.	412	−33	†Q58c	3.0	8.1	4.1
92	68	Gold Flds. P. 2½c	68	−7	Q14c	2.1	11.8	4.1
580	326	Gr'tmns 'A' 50c	540	−40	Q85c	2.4	9.0	4.6
925	560	OK Bazaars 50c	910	−15	Q120c	1.9	7.5	7.0
230	160	Rex Trueform 'A' 50c	230	.....	Q45c	φ	12.1	φ
218	122	S.A. Brews. 20c	185	−18	Q27c	1.5	8.4	7.8
840	550	Tiger Oats R1	810	.....	†Q83c	3.9	5.9	4.4
150	100	Unisec 20cts.	135xd	−8	†sQ20c	1.1	8.5	10.5

TEXTILES

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
160	114	Allied Textile	143	−7	7.24	2.5	7.2	7.8
54	33	Atkins Bros.	47	−1	4.65	1.6	14.1	5.8
41	19	Beales (J.) 20p.	36	.....	—	—	—	—
83	57	Beckman A. 10p	78	.....	5.73	0.8	10.5	18.0
15	9½	Blackwood Mort.	9½	.....	—	—	—	—
50	34	Brit. Mohair	41xd	−2	3.77	1.4	15.1	(7.0)
51	34	Bulmer L'mb. 20p.	37	−1	3.82	1.4	17.0	5.3
17	8	Caird (Dundee).	15	.....	φ—	—	—	—
34	17	Carpets Int. 50p	24	−1½	—	—	—	—
17½	9½	Carr'gtn Viyella	13½	.....	—	—	—	—
78	53½	Coats Patons	62	−2	4.0	2.2	9.2	(5.8)
38½	28	Corah	31	−1	2.9	1.8	13.4	(11.8)
78	50	Courtaulds	51	−3	1.0	—	2.8	—
£73¾	£65¼	Do. 7% Deb 82/7	£65¼	.....	Q7%	—	e16.8	—
33	19	Crowther (J.)	19	.....	—	—	—	—
131	91	Dawson Intl.	101	−5	h5.5	2.5	7.8	6.9
152	80	Dixon (David)	80xd	−10½	9.95	φ	17.8	φ
29	17	Early (C.) & M. 10p	17	−2	1.8	1.1	15.6	(8.2)
26	19	Foster (John)	21	.....	0.5	—	3.4	—
70	36	Gaskell B'loom 20p	38	.....	3.5	2.2	13.2	4.5
85	61	Hicking P'st. 50p.	72	−3	6.0	1.1	11.9	10.3
49	34½	Highams	35	−4	3.58	2.1	14.6	3.9
17½	10½	Homfray	11½	−1½	—	—	—	—
26	11	Ill'gworth M. 20p	20	.....	K1.0	1.7	7.1	(10.0)
15	7½	Do. 'A' 20p	10	.....	K1.0	2.7	14.3	(5.0)
31	19	Ingram (H.) 10p	19	−1	—	—	—	—
113	47½	Jerome (Hldgs.)	92	−3	h2.93	2.6	4.6	10.8
61	43	Leeds Dyers	55	−2	3.0	1.9	7.8	9.8
22	14	Levex 5p	14	−1	0.5	1.2	5.1	(22.0)
49	29	Lister	29	−2	0.1	—	0.5	—
68	44	Lyles (S.) 20p	58	−2	5.5	1.5	14.0	6.6
53	25	Mackay Hugh	40xd	−½	3.62	—	12.9	—
36	23	Martin (A.) 20p	23	.....	—	—	—	—
87	58	Miller (F.) 10p.	75	−7	2.2	3.5	4.2	9.8
53	41	Montfort	42	−3	2.0	—	6.4	—
24	20	Munton Bros 10p.	20	.....	—	—	—	6.3
151	103	Notts. Manfg.	119	−2	†4.0	3.4	4.8	7.2
91	47	Nova Jersey 20p.	80	.....	4.5	3.3	15.3	2.2
51	33	Parkland 'A'	33	−2	3.7	0.3	16.0	—
11	5	Pickles (W.) & Co.	5	.....	—	—	—	—
6	2½	Do. 'A' NV 10p.	2½	.....	—	—	—	—
30	20	Radley Fashion.	22	−1	‡d1.5	0.7	‡	(17.1)
24	16½	Reliance Knit 20p	17	−1½	1.54	0.6	12.9	(22.3)
24	15	Richards 10p	17	−1	φ1.45	0.6	12.6	17.7
82	60	S.E.E.T. 20p	67	−2	3.0	6.8	6.4	2.7
27½	21	Scott Robertson	27	.....	1.53	—	8.1	—
30	13	Sekers Int. 10p.	16	.....	0.1	—	0.9	—
17	11	Shaw & Marvin 10p.	14	.....	—	—	—	—
31½	20	Shaw Carpets 10p.	20	.....	2.0	0.5	14.3	(35.2)
220	110	Sirdar	182xd	−3½	7.0	φ	5.6	φ
95	55	Small & Tidmas	93	.....	3.0	2.2	4.7	(11.5)
25	14	Smallshaw R. 10p.	17	.....	1.75	1.9	14.7	5.1
67½	30	Sn. Viscosa L1200	34	.....	—	—	—	—
56	31	Do. Priv. L1200	32	.....	—	—	—	—
29	17	Spencer (Geo.).	17xd	−3	‡0.8	1.7	‡	(18.5)
18½	6	Stewart Nairn	10	.....	—	—	—	—
100	37	Stirling Knit 20p	87	−3	1.2	12.5	2.0	5.8
19	14	Stoddard 'A'	16	−1	—	—	—	—
41	22½	Stroud Riley Dr'd	34	−1	h1.5	3.9	6.3	4.5
8½	4	Sumner (F.)	4½	+½	—	—	—	—
24	17	Sunbeam Wolsey	19	.....	Q18.4%	—	12.1	—

For Terra-Consulate See Stores

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
125	64	Text'rd Jrsy. 10p.	65	−18	d5.5	3.5	12.1	3.1
55	31	Tomkinsons	52	−2	d2.0	0.9	5.5	38.7
35½	22	Tootal	26½	.....	2.35	b1.2	13.2	(8.2)
116	55	Toray Y50	97	.....	Q11%	2.6	1.4	27.9
22	14	Trafford Carpets	21	.....	—	—	—	—
275	150	Yorklyde 20p	270	.....	15.0	3.7	7.9	3.7
42	25½	Yorks. Fine W. 20p	31	−2	—	—	—	—
12	7	Youghal	9	.....	—	—	—	—

TOBACCOS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
390	230	BAT Inds.	335	−13	†19.0	3.2	8.3	(4.2)
76	52½	Imperial	52½	−2	7.25	1.8	19.7	(6.9)
86	38	Rothmans 12½p	58½	−3½	3.65	2.8	8.9	(4.5)

TRUSTS, FINANCE, LAND

Investment Trusts

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
144	114	Aberdeen Trust	120	−5	‡5.8	1.1	6.9
56	41	Ailsa Inv.	52	+1	φ8.2	1.0	22.5
114	77½	Alliance Inv.	86	−7	h2.7	1.0	4.5
288	232	Alliance Trust	236	−20	10.5	1.1	6.4
86	62	Altifund Inc.	62	.....	6.88	1.1	15.8
192	140	Do. Capital	140	−22	0.35	—	0.4
80	63	Ambrose Inv. Inc.	63	−1	7.1	1.1	16.1
109	72	Do. Cap.	72	−5	—	—	—
75	57	American Trust	57	−3	2.1	1.1	5.3
74	54	American Tst. 'B'	54	−3	—	—	—
147	116	Anglo Am. Secs	119	−8	†4.75	1.1	5.7
60½	45	Anglo-Int. Div.	45	−1	5.0	1.0	15.9
248	176	Do. Asset Shs.	185	−17	—	—	—
74	58	Anglo-Scot. Inv.	58	−5	s2.4	1.2	5.9
100	75	Archimedes Inc.	75	−5	†7.2	1.0	13.7
64	41	Do. Cap. 50p	41	−2	—	—	—
137	89	Argo Inv. ($A1)	137	.....	Q12%	φ	5.4
205	170	Ashdown Inv.	170	−12	6.2	1.0	5.2
87	64	Atlanta Balt. 10p.	64	−6	1.0	1.5	2.2
298	200	Atlantic Assets	200	−30	s1.0	2.2	0.7
99½	78	Atlas Elect	78	−6½	3.3	1.1	6.0
80	65	Bankers' Inv.	66	−3	F3.93	1.0	8.5
206	144	Berry Trust	146	−18	1.44	1.0	1.4
101	78	Bishopsgate Tst.	78	−3	h3.33	1.0	6.1
93	75	Border & Sthn. 10p	75	−4	s2.6	1.3	5.0
62	34	Bremar Tst.	51	−1½	2.1	1.2	5.9
53	40	Brit. Am. & Gen.	40	−3	2.35	1.1	8.4
115	87	British Assets	87	−6	†4.2	1.2	6.9
16	13½	Brit. Emp. Secs. 5p	13½	−½	0.85	1.2	9.0
154	135	Brit. Ind. & Gen. Dfd.	136	−4	s5.0	1.2	5.3
204	168	Brit. Invest	170	−18	8.85	1.3	7.4
234	190	Broadstone (20p)	195	−5	7.1	1.0	5.2
87	68½	Brunner Inv.	70	−5	†2.83	1.0	5.8
102	82	C.L.R.P. Inv.	82	−8	3.5	1.1	6.1
318	260	Caledonia Invs.	262	−1	13.5	1.1	7.6
120	100	Cambrian and Gen.	100	−6	†5.5	1.1	7.9
455	413	Camellia Invs. 10p.	445	−7	†5.0	2.9	1.6
198	137	Can. & Foreign	162	−10	5.6	1.1	4.9
180	146	Capital & Nat.	146	−7	6.95	1.0	7.0
174	140	Do. "B"	140	−10	—	—	—
153	123	Cardinal Dfd.	123	−9	4.5	1.1	5.2
97	76	Cedar Inv	76	−6	†4.6	1.2	8.8
260	222½	Chan'l 1s. Inc. £1.	235	−8	Q37.5%	1.1	16.0
239	200	Do. Cap	200	−5	—	—	—
78	63½	Charter Trust	65	−4	3.2	1.1	7.0
178	145	Child Health £1	150	−18	—	—	—
40	29	City & Com. Inc.	29	−2	†2.82	1.1	13.9
305	205	Do. Cap. (£1)	285	−18	—	—	—
91	60	City & For. Inv.	60	−9	0.7	1.3	1.3
113	86	City of Oxford	86	−6	5.5	1.0	9.1
144	112	Claverhouse 50p	116	−4	2	1.0	8.0
11	11	Clifton Invs 10p	11#	.....	—	—	—
59	43	Colonial Secs. 5p.	43	−7	N3.0	1.1	10.0
296	238	Continent'l & Ind.	238	−18	11.0	1.0	6.6
164	138	Continent'l Union	138	−2	6.25	1.0	6.5
386	229	Cres'nt Japan 50p	285	−25	0.95	1.0	0.5
126	105	Crossfriars	105	−5	6.5	1.0	8.8
123	97	Cystic Fibrosis £1	97	−3	—	—	—
42½	34	Dance (Inc.) (50p)	36	−1	4.0	1.0	15.9
6¼	3¼	Do. (Cap.) 10p	3¼	−¼	—	—	—
284	235	Derby Tst. Inc. £1	235	−7	†20.26	1.0	12.3
380	276	Do. Cap. 50p	330	−8	—	—	—
272	223	Dominion & Gen.	223	−13	10.7	1.0	6.9
172	133	Drayton Com'cl.	133	−13	7.0	1.1	7.5
182	143	Do. Cons.	143	−10	7.6	1.2	7.6
*93	66½	Do. Far Eastern.	71	−6	1.24	1.5	2.5
226	186	Do. Premier	186	−12	10.2	1.1	7.8
78	63	Dualvest Inc. 50p.	63	−½	6.97	1.0	15.8
494	384	Do. Capital £1	402	−36	—	—	—

INVESTMENT TRUSTS-Cont.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
98	75	Dundee & Lon.	84	−3	3.85	0.9	6.5
132	79	Edinburgh Am. Tst.	88	−7	0.8	1.1	1.3
78	57	Edinburgh Inv.	57	−6	1.96	1.0	4.9
61	46½	Electra Inv. Tst.	46½	−2½	2.69	1.8	8.2
132	107	Elect. & Gen.	110	−3	2.45	1.2	3.2
550	350	Energy Res. & Serv. $5	350	−50	—	—	—
126	100	Eng. & Internat.	100	−3	5.5	1.1	7.9
98	86½	Eng. & N.Y. Trust	81	−5	4.05	1.1	7.1
83	63	Eng. & Scot. Inv.	67	−4	†1.8	1.1	3.8
29	24	Eng. Nat. Inv. Prefd.	25	−2	2.36	1.5	13.5
80	73	Eng. Nat. Inv. Defd.	75	−1	4.54	0.8	9.0
147	122	Equity Cons't £1	122	−8	9.28	1.0	10.9
245	185	Do. Def'd 50p	185	−22	10.15	2.0	7.8
307	263	Equity Inc. 50p	265	−14	†16.5	1.1	8.9
89	71	Estate Duties	75	−2	2.3	1.1	4.4
13½	9½	F. & C. Ent. Tst. 10p	9½	−½	—	—	—
56	49½	F. & C. Eurotrust	51	−1	1.45	1.1	4.1
121	101	Family Inv. Tst.	108	−2	6.0	1.1	7.9
14	8½	First Charlotte Assets	8½	−1	—	—	—
133	101½	First Scot. Am.	102	−6	4.55	1.0	6.4
77½	55	Foreign & Col.	55	−4	h1.85	1.0	4.8
120	81	F.U.G.I.T. (R0.25)	112	−6	tQ14c	φ	5.0
58	46	Fulcrum Inc.	46	−1	4.6	1.1	14.3
6	3	Do. Cap. 2½p	3	−¼	—	—	—
55½	39	Fundinvest Inc.	39	−2	‡4.18	1.0	‡
144	86	Do. Cap.	86	−10	—	—	—
111	66	G.T. Global Rec.	66	−10	—	—	—
407	261	G.T. Japan	280xd	−34	4.5	φ	2.3
208	173	Gen. & Comm'cl.	178xd	−3	9.35	1.1	7.5
122	103	Gen. Consoldtd.	103	−7	5.9	1.1	8.2
358	265	General Funds	295	−15	7.75	1.0	3.8
325	232	Do. Conv. 10p	285	−15	—	—	—
192	163	Gen. Investors	165xd	−6½	†6.3	1.2	5.5
66	51	Gen. Scottish	53	−2	2.9	1.1	7.8
207	160	Gen. St'hldrs. 12½p	172	−7	3.7	1.1	3.1
85	66	Glasgow St'hldrs.	66	−2	†2.2	1.1	4.8
161½	131	Globe Inv.	131	−10½	7.5	1.0	8.2
146	114½	Grange Trust	127	−3	3.7	1.1	4.2
141	110	Gt. North'n Inv	110	−6	6.6	1.0	8.6
180	120	Greenbank Tst.	120	−5	4.0	φ	4.8
194	144	Greenfriar Inv	162	.....	2.0	1.4	1.8
312	165	Gresham Hse.	165xd	−53	3.65	—	3.2
90½	73	Gresham Inv.	76	−3	3.3	2.0	6.2
115	95	Group Investors	99	−3	3.1	1.1	4.5
116½	94	Guardian Inv. Tst.	94	−5	4.7	1.0	7.1
106	74	Hambros	83xd	−3½	h3.0	1.1	5.2
136½	113	Hill (Philip)	113	−6	6.1	1.0	7.7
168	110	Independent Inv.	110	−8	0.5	1.5	0.6
84½	67	Industrial & Gen.	67	−6	3.0	1.1	6.4
107	82	Internat'l Inv.	82	−5	4.15	1.1	7.2
340	236	Inv. in Success	280	−11	4.9	1.1	2.5
132	96½	Investors' Cap.	102	−6	†3.05	1.1	4.3
208	88	Jardine Sec. HK$5	98	−16	tQ77½c	1.0	7.2
169	133	Jersey Gen. £1	147	−8	hQ10.0	1.8	6.8
82	68	Jos Holdings	72	−5	3.43	φ	6.8
53	41	Jove Inv. Inc. 10p	41	−2	4.3	1.1	15.0
9¼	4¼	Do. Cap. 2p	4¼	−½	—	—	—
14½	11	Keep Investments 5p	11xd	−1	0.39	0.6	5.1
230	178	Keystone Inv. 50p	178	−20	10.5	1.2	8.4
174	125	Lake View Inv.	132	−8	3.85	1.2	4.2
85	65	Lanc. & Lon. Inv.	65	−6	2.63	1.1	5.8
162	136	Law Debenture	136	−6	7.25	1.2	7.6
£16⅜	£15¼	Lazard Stlg. Res. 1p	£16⅜	.....	2.59	—	—
48	38	Leda Inv. Inc. 20p	38	−1	4.27	1.0	16.7
56	40	Do. Cap. 5p	40	−3	—	—	—
74	30	Le Valloner	74#	.....	φ2.5	1.1	5.0
109	88	Lon. Atlantic	88	−4	4.75	1.1	7.7
141	106	Lon. & Gart. 50p	111	−5	1.5	1.5	1.9
163	137	Lndn. & Holyrood	137xd	−6	5.75	1.0	6.0
49	33	Lon. & Lennox	33	−6	1.9	1.1	8.2
112	90	Lon. & Lomond	90	−6	3.8	1.1	6.0
108	84	Lon. & Montrose	84	−6	†h3.52	1.1	6.1
153	128	Lon. & Prov.	129xd	−4	5.3	1.0	5.8
117	99	Lon. Prudential	100	−5	4.85	1.0	6.9
81	67	Lon. & S'clyde	67	−6	†s2.05	1.3	4.4
94	64	London Trust	64	−4	3.5	1.0	7.8
91	73	Lowland Inv	78	−6	†3.75	1.2	6.9
257	195	M & G Dual Inc. 10p	195	−9	†19.4	1.0	14.2
270	206	Do. Cap. 10p	215	−15	—	—	—
104	80	Do. 2nd Dual Inc. 10p	80	−2	7.8	1.0	13.9
59	34¼	Do. Cap. 4p	36	−2	—	—	—
95	83	Man. & Metrop. Inv.	88	−2	72.0	0.7	3.2
78	67	Meldrum Inv.	67	−3	3.25	1.2	7.0
65½	47	Mercantile Inv.	47	−5	2.52	1.1	7.7
105½	83	Merchants Tst	83	−6	4.15	1.0	7.3
87	64	Monks Invest	64	−4	2.4	1.0	5.4
72	49½	Mont. Boston 10p	52	−5	1.05	1.3	2.9
19	13	Do. Wrrts. £1	13	.....	—	—	—
168	146	Moorgate Inv	146	−6	7.3	1.0	7.1
77	57	Moorside Trust	57	−6	h3.5	1.1	8.8
84	64½	Murray Caledonian.	66	−4	H4.0	0.9	8.7
79	62	Do "B"	64	−4	—	—	—
75	55	Murray Clydesdale.	55	−5	1.65	1.1	4.3
69	54	Do. B	54	−4	—	—	—
151	116	Murray Glendevon	118xd	−7	2.7	φ	3.3
142	115	Do. 'B'	115	−12	—	—	—
99	69½	Murray Northn.	70	−5	1.85	1.0	3.8
91	67	Do. 'B'	67xr	−6	—	—	—
91	66	Murray Western	66	−7	†2.3	1.0	5.0
89	64	Murray Western B.	64	−7	—	—	—
525	280	Negit S.A. $US1.	280	−10	Q13c	—	2.6
110	70	New Darien Oil Tst.	70	−5	—	—	—
22½	18	New Throg. Inc	18	−½	2.0	1.0	15.9
236	160	Do. Cap. £1	160	−25	—	—	—
55½	20	Do. New Wrrts.	20	−9	—	—	—
149	92	New Tokyo Inv. 50p	92	−17	—	—	—
93	69	1928 Invest.	69	−8	4.4	1.1	9.1
144	111	Nth. Atlantic Sec.	116	−11	s4.3	1.2	5.3
122	100	Nth. Brit. Canadian.	100	−12	4.8	1.1	6.9
145	109	Nthn. American	109	−8	†4.6	1.0	6.0
296	230	Northern Secs	230	−23	4.4	1.1	2.7
117	56	Oil & Assoc. Inv	56	−7	3.5	1.1	8.9
75	53	Outwich Inv.	53	−8	s2.21	1.2	6.0
173	136	Pentland Inv.	136	−7	6.3	1.0	6.6
382	296	RIT 50p	296	−22	13.5	1.6	6.5
166	127	Raeburn	127	−10	6.35	1.1	7.1
64	40	Rights & Iss. Cap.	46	−3	0.19	—	0.6
141	109	River & Merc.	109	−9	h7.5	1.0	9.8
133	100	River Plate Def.	100	−8	h5.25	1.1	7.6
£50⅞	£38⅝	Robeco (Br.) Fl50	£44⅝	−1½	Q22%	1.0	5.4
506	388	Do. Sub. Sh's Fl5	447	−15	Q22%	1.0	53.6
£54¼	£38¼	Rolinco NV Fl50	£44¼	−1¼	Q10%	1.0	2.4
541	380	Do. Sub. Sh's Fl5	442	−17	Q10%	1.0	24.7
140	102	Romney Trust	102	−10	4.4	1.0	6.2
69	53	Rosedimond Inc.	53	−1	†6.1	1.0	16.4
166	108	Do. Cap	108	−7	—	—	—
112	90	Safeguard Ind	90	−12	5.8	1.1	9.4
169	137½	St. Andrew Tst.	141	−7	†6.3	1.1	6.4
159	118	Scot. Am. Inv. 50p.	118	−11	†4.0	1.0	4.9
302	228	Scot. Cities 'A'	260	−17	10.5	1.0	5.8
89	66	Scot. East. Inv.	66	−6	†3.25	1.1	7.0
158	117	Scottish Inv	117	−7	4.3	1.1	5.2
242	168	Scot & Merc A	195xd	−16½	g11.0	φ	8.1
184	135	Scot. Mort. & Tst.	137	−8	5.3	1.0	5.5
230	184	Scot. National	184	−14	†6.85	1.2	5.3
119	80	Scot. Northern	80	−8	3.45	1.0	6.2
90	69	Scot. Ontario	73	−2	3.15	1.0	6.3
68	45	Scot. Utd. Inv.	45	−6	†h1.53	1.0	4.9
247	197	Sec. Alliance Tst.	198	−12	9.15	1.1	6.6
121	93	Securities T. Sc.	93	−6	4.9	1.0	7.5
750	575	Select Rist Inc. $US5	625	−50	Q25c	—	2.2
156	120	Shires Inv. 50p	120	−7	11.8	1.0	14.0
169	135	Sphere Inv	135	−11	6.25	1.0	6.6
212	178	SPLIT Inc. 10p	178	−4	16.43	φ	13.2
127	86	SPLIT Cap. 10p	86	−11	—	—	—
230	182	Sterling Tst.	182	−16	9.5	1.0	7.5
37	27	Stewart Ent Inv 10p.	27	−3	—	—	—
179	127	Stockholders Inv.	127	−13	3.5	1.2	3.9
175	130	Technology	138	−9	4.3	1.0	4.4
135	100	Temple Bar	100	−7	7.7	1.0	11.0
29	25	Throg. Growth	25	−1½	2.58	φ	16.0
151	113	Do. Cap. £1	118	−6	—	—	—
126½	92	Throgmorton	92	−6	6.0	1.0	4.1
111	96	Tor. Invest. Inc.	96xd	−8	9.2	φ	13.5
203	135	Do. Cap.	135xd	−7	0.91	φ	1.0
92	67	Trans. Oceanic	67	−6	h2.33	1.0	5.0
112	82	Tribune Invest.	82	−9	2.7	1.4	4.7
86	70	Triplevest. Inc. 50p	70	−2½	7.1	1.0	15.1
416	280	Do. Capital £1	280	−33	—	—	—
85	66	Trust Union	66	−4	3.05	1.1	6.6
78½	58	Trustees Corp	58	−5	2.95	1.0	7.3
172	140	Utd. Brit. Secs.	140	−8	7.0	0.9	7.1
116	87	US Deb. Corp	87xd	−6	5.58	1.0	8.2
275	233	U.S. & General Tst.	234	−8	10.5	1.0	6.4
114	68	Viking Resources.	68	−8	0.66	1.2	1.4
97	76	W. Cst. & Texas 10p.	80	−6	1.3	1.3	2.3
208	165	††Welsh Ind. Inv.	165	.....	—	—	—
384	335	Wemyss Inv. £1	335	−10	19.0	1.1	8.1
81	50	Winterbottom 5p.	50	−7	†0.6	1.0	1.7
86½	61	Witan Inv	61	−5	h1.88	1.0	4.4
134	107	Yeoman Inv.	107	−9	h6.38	1.0	8.5
*40	24	Yorks. & Lancs	24	−2	†2.0	1.1	11.9
135	112	YoungCo's Inv. £1.	112	−9	6.0	1.0	7.7

Finance, Land, etc.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
265	140	Aitken Hume	140	−25	5.5	0.9	5.8	27.2
196	145	Akroyd Smithers.	145	−5	bs12.5	5.1	12.3	2.3
70	70	Aust. Farming	70	.....	—	—	—	—
66	48	Authority Inv. 20p.	56	.....	—	—	—	23.6
140	105	Bonusbond	105	−3	—	—	—	—
62	37	Britannia Arrow	37	−5	†1.0	2.4	3.9	12.7
143	80	Contreway Trust	80	.....	1.0	—	1.8	—
55	35	✦Energy Fin. 10p.	35	−6	1.25	2.5	5.2	11.0
£100	£75	Do. 8pcCv.Uns. 95/2000	£75	−3	Q8%	—	f11.3	—
*459	275	English Assoc.	275	−10	6.0	3.2	3.1	14.7
12½	8½	Ex Lands 10p	10½	−½	0.56	1.8	7.6	9.7
300	247	Fashion & Gen. 5p.	250	−7	15.6	1.0	8.9	15.9
180	114	Hambro Trust	117	−18	4.84	2.8	6.1	(6.6)
*69	22	Hampton Tst. 5p.	22	−3	—	—	—	—
130	54	Haw Par. S. $1.	78	−5	bQ12c	1.8	4.0	13.8
418	344	Ind. Inv. Tst. Jsy. £1	380	−20	Q7.0	φ	1.8	φ
29	21	Investment Co.	24	−1	d1.75	1.8	10.4	(6.3)
110	35	Kakuzi KS/-	50	−5	Q85c	2.4	9.0	4.6
46	17½	Kellock 5p	27	−1	0.06	14.9	0.3	(28.8)
46	14¼	Do. Conv. Prf. 5p	22	−1	0.06	14.9	0.4	(14.7)
155	100	Kitch'n. Taylor 10p	100	−15	10.0	0.8	14.3	13.2
22	17	Kwahu 10p	17	−2	1.84	φ	17.5	φ
26	14	Lamont Hldgs. 10p	14	.....	1.1	2.5	11.2	(4.3)
24	16½	London Inv. 5p.	16½	−7½	0.88	1.8	7.6	10.6
90	54	Lon. Merchant	54xd	−5	1.08	2.4	2.9	18.6
70	40	Do. Defd.	40	−5	—	—	—	—
£96	£72	Do. 7¾pcCvUns 2000-05	£72	−1	Q7¾%	—	f11.4	—
366	265	M. & G. Group	280	−28	†10.0	2.1	5.1	13.3
125	75	Majedie Invs. 10p	75	.....	2.25	1.5	4.4	21.8
192	112	Martin (R.P.) 5p	182#	.....	φ8.25	φ	6.7	φ
*525	280	Mercantile House	310	−35	†8.75	2.7	4.0	12.7
£14½	£13	Mer. Comm. Mtg. 1p	£14½	.....	Q56.0	1.7	4.0	‡
£16½	£12¾	Mer. Trans. Tst. 1p.	£16	.....	Q51.0	1.6	3.3	‡
640	430	Mexico Fund Inc.	440	.....	—	—	—	—
21	10	N.M.C. Invs. 12½p.	11	.....	0.75	—	9.7	—
425	285	Nippon Fd. Sg. 10p.	417	.....	φ—	—	—	—
25½	17½	Parambe 10p	17½	−½	†0.6	1.5	4.9	19.2
98	70	Park Place Inv.	70xd	−2½	3.6	φ	7.3	φ
242	188	Pearson (S) & Son	188xd	−10	10.0	3.0	7.6	5.0
75	42	††Plant & Gen. Ins.	57	−1	1.5	2.3	3.8	13.2
£16	£12½	Sel. Mkt. Ptg. Rd. Prf.	£16	.....	—	—	—	—
£63	£56	S.E. £4½pc Ann.	£62	.....	Q4½%	—	6.8	—
48	27	Smith Bros.	27	−2	3.0	φ	15.9	φ
£34½	£20	Suez Fin. NF150.	£24#	.....	Q23%	1.1	14.7	‡
180	130	Tolux SA$	180	.....	Q$0.21	2.2	6.5	7.0
41	23	Welbeck	23xd	−1	1.85	3.8	11.5	2.7
86	50	Westpool Inv.	50xd	−2	1.11	1.8	3.2	45.2
68	28	††Yelverton Ins.	28	−2	—	—	—	7.3
17	8½	Yorkgreen 10p.	11	.....	†0.44	4.0	5.7	6.3
100	65	Yule Catto 10p.	70	.....	†1.71	3.2	3.5	10.2

OIL AND GAS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
122	80	‡‡Am Oil Flds 20p.	96	.....	—	—	—	—
298	135	Anvil Pet. 20p	135	−22	—	—	—	—
29½	19	Aquian Energy C$1	20	.....	—	—	—	—
87	33	‡‡Aran Energy 20p	35	+2	—	—	—	—
335	165	‡‡Atlantic Res.	220	−10	—	—	—	—
530	255	Base Res. Int. S.A.	258	−5	—	—	—	—
403	203	‡‡Berkeley Expln.	207	−53	—	—	—	—
93	50	Brenon £1	50xd	−9	1.0	φ	2.9	φ
324	236	Brit. Borneo 10p.	236	−4	12.15	1.3	7.4	21.6
370	255	Brit. Can. Res. C$10	280	−15	—	—	—	—
*415	246	Brit. Petroleum	252	−2	§20.25	2.5	11.5	(4.0)
66	53	Do. 8% Pf. £1	56	−1	5.6%	115.5	14.3	—
18	9	Brunswick Oil NL	9	−1½	—	—	—	—
47	22	✦Bula Res Ir£0.25	23	−1	—	—	—	—
190	92	Burmah £1	95	−2	6.5	2.8	9.9	(5.8)
£65½	£54½	Do. 8½ Ln. 91/96	£54½	−½	Q8½%	14.6	e17.3	—
305	133	✦CCP North Sea	133	−10	—	—	—	—

OIL AND GAS—Continued

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
365	210	††Cambridge Pet. 20p	210	−58	—	—	—	—
250	120	††Candecca Res.	122	−12	—	—	—	φ
109	92	Carless Capel 10p	94	−12	2.75	1.7	4.2	17.8
89	55	Century 10p	55	−6	2.8	2.8	7.3	5.7
190	120	Cons Res. C$5.00	120	−15	—	—	—	—
106	44	Charterhall 5p	46	−4	—	—	—	—
94	60	Charterhouse Pet.	60	−6	†0.75	3.8	1.8	15.8
£23½	812	Cie Fr. Petroles B.	£11½	.....	Q54%	φ	21.6	φ
28	10½	Claremont Pet NL	13	.....	—	—	—	—
296	250	✦Cluff Oil £1	250	−10	—	—	—	—
304½	205	✦Do. Cnv. A	250	.....	—	—	—	—
210	105	✦Clyde Petroleum	105	−15	0.55	1.8	0.8	—
27	12	Collins (K) Pet 1c	13	+1	—	—	—	—
235	92	††Canty Pet (R0.25)	155	.....	—	—	—	—
42	28	Dorset Res. C$1	30	−1	—	—	—	—
345	70	Double Eagle$	70	−20	—	—	—	—
63	55	E. Scotland Offshore	56	−1	g0.83	—	2.1	—
278	185	††Edinburgh Secs.	185	−27	‡0.15	—	0.1	—
185	70	††EgPlan Oil & Gas	70	−5	—	—	—	—
117	68	Energy Capital 12½p	68	−5	—	—	—	—
25	11	††Energy Sources 10p	12	.....	—	—	—	—
120	77	Falmouth Petl.	85	.....	—	—	—	—
190	80	Flair Res.	85	+5	—	—	—	—
*134½	70	✦Floyd Oil 10p	70	−13	—	—	—	—
345	130	††Gaelic Oil 20p	130	−18	—	—	—	—
555	300	✦Gas & O. Acre 20p	300	−60	—	—	—	—
220	128	Genoa Oil NL 50c	135	−15	—	—	—	—
£104¼	375	Global Nat. Res. US$0.01	500	−90	—	—	—	—
438	238	Gulfstream Res. Can$	246	−17	—	—	—	—
140	86	Hamilton Oil (G.B.) 10p	86	−13	g1.0	18.4	1.7	4.7
55	20	Hansa Pet C$1.00	20	−2	—	—	—	—
34½	22	Humboldt Engy C$1	25	.....	—	—	—	—
238	178	Hunting Petrol	178	−18	6.5	3.3	5.2	6.8
22	15	✦ICC Oil 10p	15	.....	—	—	—	23.1
267	147	Imp. Cont. Gas £1	147	−16	8.0	1.7	7.8	(9.2)
£117½	£72	Do. 8pc Cv Ba 95-2000	£72	−4	Q8%	12.6	Q11.8	—
352	155	International Pet.$	170	−45	—	—	—	—
88	58	✦Jackson Explo.$	58	−4	Q1.5c	—	1.4	—
*24½	9	††Jessel Tst. 5p	9	−2	—	—	—	—
206	96	KCA Int.	96xd	−1½	†5.25	1.2	7.8	(13.8)
85	38	KCA Drilling	44	−5	b3.75	1.7	12.2	5.7
735	375	LASMO	390	−10	φ10.0	2.9	3.7	(18.4)
£101	£92¼	LASMO 14% 1980-85	£95½	.....	Q14%	—	14.7	—
£124¼	887	LASMO "Ops" 10p	909xd	−50	g121.58	—	21.4	—
535	230	Magellan Pet.	230	−20	—	—	—	—
27	10	Magnet Metals 10c	10	−1½	—	—	—	—
170	92	††Mariner Pet. 10p	92	−16	—	—	—	—
500	150	Moonie Oil A$0.25	150	−12	Q27½c	3.5	1.0	28.2
172	72	NCC Energy 10p	80	−10	d1.75	—	3.1	—
*92	46	✦New Court Nat. 5p	46	−2	1.0	1.8	3.1	23.9
162	115	††Nth. Sea Assets 50p	115	−11	2.0	1.0	2.5	—
225	125	††ORE 10p	160	−20	—	—	—	19.2
23	17½	Offshore 10c (pp)	18	−½	—	—	—	—
262	105	Ohio Resources	120	−5	—	—	—	—
46	35	Oil & Gas Prod $0.02	37xd	−4	‡sQ1½c	—	2.2	—
10	3	Do. Part Pd. $0.02	3	−2	—	—	—	—
345	140	Palliser Res.$	140	−25	—	—	—	—
55	32	††Pentine Res.	32	−6	—	—	—	—
445	160	✦Pict. Pet. £1	160	−10	—	—	—	—
99	41	Premier Cons. 5p	44	−4	—	—	—	—
810	416	Ranger Oil$	416	−28	—	—	—	—
£22	£15¼	Royal Dutch Fl.10.	£15¼	−¾	Q60½%	3.9	9.8	2.7
230	115	S. & K. Pet. US$5.00	115	−15	—	—	—	—
187	135	SASOL R1	154	−18	Q20c	φ	7.6	φ
460	260	Santos A0.25c	260	−30	†tQ4.3c	1.5	1.0	—
730	410	Sceptre Res.$	410	−22	—	—	—	—
82	21	Shackleton Pet.	21	−6	—	—	—	—
470	304	Shell Trans. Reg.	314xd	−1½	19.1	3.0	8.7	(4.3)
58	48	Do. 7% Pf. £1	50	−1	4.9%	17.9	14.0	—
285	200	Silkolene	200	−6	5.0	2.5	3.6	14.2
430	235	✦Sovereign Oil	235	−40	—	—	—	—
85	38	††Steaua Rom. (Brit.)	38	−5	—	—	—	—
218	46	Strata Oil N.L.	46	−8	—	—	—	—
220	162	Sunmask Pet	162	−8	—	—	—	—
490	130	††Sun (UK) Royalty 1p	130	−20	—	—	—	—
181	78	TR Energy	78	−7	—	—	—	—
£99	£62	Texaco 4¾% Cnv.	£62	−2	Q4¾%	—	f7.7	—
230	117	Tri Basin Res.$	117	−25	—	—	—	—
332	190	Tricentrol	198	−4	8.4	3.5	6.2	6.6
537	380	Ultramar	390	−10	†11.0	5.6	4.0	5.0
285	90	Warrior Res.$	65	−25	—	—	—	—
31	20	Weeks Aust.	20	.....	—	—	—	—
490	270	Weeks (B'muda) 10c	270	−25	—	—	—	—
490	280	Do. Pt. (Aust.) 10c	280	−20	Q1.92	—	0.7	—
142	70	Westfort Pet. $	70	−10	—	—	—	—
158	72	Woodside A50c	72	−11	—	—	—	—

OVERSEAS TRADERS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
39	31	African Lakes	31	−1	h1.0	6.4	4.6	4.0
71	52	Assam Trading B 10p	60	.....	1.5	—	3.8	—
192	140	Aust. Agric. 50c	170	+2	Q15c	1.4	5.4	13.1
135	83	Berisford (S. & W.)	92	−15	†7.5	2.3	11.6	(5.1)
34	10	Borthwick (Thos.) 50p	12	.....	0.01	—	—	—
157	97	Boustead 10p	130	.....	1.25	1.2	1.4	—
105	55	Finlay (James)	61	−10	h4.17	1.9	9.8	6.6
237	160	Gill & Duffus	190	−6	8.4	2.7	6.3	(6.5)
£25½	£20	Gt. Nthn. £10	£24	−1	Q12%	1.1	5.0	18.2
975	700	H'ris'ns. Cros. £1.	725	+13	28.0	1.7	5.5	(13.6)
475	257	Inchcape £1	257	−23	18.15	1.4	10.1	(8.8)
25	18	Jacks Wm.	18	−1	‡0.35	2.3	‡	(18.2)
108	67	Lonrho	70	−1	†9.0	1.2	18.4	(6.3)
50	42	Mitchell Cotts.	42	−3½	3.61	1.5	12.3	(6.6)
193	123	Nesco Invests.	158	−10	7.02	8.2	6.7	—
53	34	Ocean Wlsns. 20p	34	−4	2.6	1.2	10.9	(9.7)
167	110	Pat'son. Zoch. 10p	117	−6	†h3.5	6.7	4.3	5.0
165	107	Do. 'A' N/V 10p	107	−11	†h3.5	6.7	4.7	4.6
119	66	Sime Darby M$0.5	82	−3	φQ10.8c	φ	3.8	φ
215	127	Steel Bros.	205	−10	8.0	2.7	5.6	7.6
78	49	Tozer Kems. 20p	56	−6	2.39	1.6	6.1	(12.5)
£102	£93½	Do. 8pc Ln. '81	£102	.....	Q8%	96.3	f4.7	—
252	167	Warren Plants.	167	.....	10.0	2.3	8.2	7.2

RUBBERS AND SISALS

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
132	93	Anglo-Indones'n	93	.....	3.33	0.6	5.3
127	79	Barlow Hldgs. 10p	79	−3	s3.0	0.9	5.4
103	68	Bertam Cons. 10p	89	.....	0.88	φ	1.4
510	330	Castlefield 10p	330	−5	†6.0	2.3	2.6
65	44	Cons. Plants M$0.5	44	−2	sQ14.3c	φ	7.3
6½	5½	Grand Central 10p	5½	.....	—	—	—
£10	650	Guthrie £1	862	.....	φ30.0	1.0	5.0
290	166	Harrisons Mly. Est. 10p	178	−4	s8.0	0.8	6.4
92	47	Highlands M50c	53	.....	φQ15c	0.9	6.4
71½	43	Kuala Kepong M$1.	44	−1	Q5c	φ	2.6
76½	47½	††Kulim M50c	49	−1	Q12c	1.4	5.7
420	290	Ldn. Sumatra 10p	300	.....	φ8.0	3.5	3.9
171	78	Malakoff M$1	78	−5	Q17½c	φ	5.1
85	46	Malay. Plants. M$1	46	−3	Q18c	1.3	8.8
163	125	Rightwise 10p	125	−2	1.0	10.3	1.1

TEAS

India and Bangladesh

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
295	220	Assam Dooars £1.	230	−5	6.0	1.7	3.7
205	185	Assam Frontier £1	185	.....	10.0	2.3	7.7
420	380	Lawrie Plants £1.	410	−5	18.5	2.9	6.4
355	225	McLeod Russel £1	225	−12	7.5	—	4.8
290	250	Moran £1	250	−2	5.0	—	2.9
213	185	Williamson £1	185	−2	12.5	2.4	9.7

Sri Lanka

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
450	355	Lunuva £1	415	.....	s21.0	1.3	7.2

Africa

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
65	56	Ruo Estates	56	.....	φ1.0	4.3	2.6

MINES

Central Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
£14⅞	632	Durban Deep R1	£12⅝	−1⅞	‡Q460c	2.7	‡
£12⅝	489	East Rand Prp. R1	728	−95	‡Q370c	3.1	‡
£39⅞	£19¾	Randfont'n Est. R2	£26⅞	−2⅞	‡Q1100c	2.4	‡
214	88	West Rand R1	151	−10	‡Q17½c	14.5	‡

Eastern Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
190	98	Bracken 90c	140xd	−22	Q60c	φ	24.5
106	34	Cons. Modd'fein 5c.	89	−11	—	—	—
152	77	East Dagga R1	120	−19	Q15c	0.8	7.2
491	303	ERGO R0.50	392	−54	Q200c	1.2	29.3
522	249	Grootvlei 25c	440	−76	‡Q204c	1.2	‡
868	492	Kinross R1	720xd	−46	Q166c	φ	13.0
168	91	Leslie 65c	126xd	−20	Q54c	φ	24.5
240	101	Marievale R0.25	168	−30	‡Q120c	1.0	‡
*321	147	S. African Ld. 35c	269	−21	‡Q55c	1.5	11.7
169	76½	Vlakfontein 70c	157	−2	†Q40c	1.4	14.6
£18¼	£10	Winkelhaak R1	£14⅝xd	−1⅛	Q410c	φ	16.4
110	51½	Wit. Nigel 25c	99	.....	—	—	—

Far West Rand

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
847	518	Blyvoor 25c	638	−81	Q260c	φ	23.6
£23¾	£10⅝	Buffels R1	£20⅛	−2⅞	Q710c	φ	20.2
240	142	Deelkraal R0.20	201	−14	Q5c	3.2	1.4
£13⅝	614	Doornfontein R1	£10⅝	−1½	Q335c	2.1	18.0
£16⅞	940	Driefontein R1	£13⅝	−1⅝	gQ270c	1.3	11.3
*366	202	Elandsrand Gld. 20c	285	−38	—	—	—
242	121	Elsburg R1	162	−27	‡Q78c	1.6	‡
£35¾	£22¼	Hartebeest R1	£28½	−2⅛	Q1025c	1.2	20.6
£19	£11⅞	Kloof Gold R1	£16¼	−1⅛	Q400c	1.3	13.7
£12⅝	624	Libanon R1	£10⅝	−1⅛	Q330c	1.8	17.8
£19½	£11¼	Southvaal 50c	£17⅝	−1⅜	‡Q430c	1.8	‡
£11⅞	645	Stilfontein 50c	839	−82	‡Q460c	1.4	‡
£40½	£26½	Vaal Reefs 50c	£35½	−3	‡Q1320c	1.5	‡
707	354	Venterspost R1	559	−110	Q235c	1.6	24.1
389	195	Western Areas R1	252	−48	‡Q120c	2.1	‡
£28½	£16⅛	Western Deep R2	£19	−1⅝	‡Q800c	1.4	‡
641	391	Zandpan R1	532	−39	Q173c	1.8	18.6

O.F.S.

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
320	210	Free State Dev. 50c	320	+20	Q47½c	1.9	8.5
£25¼	£15⅝	F.S. Geduld 50c	£20⅝	−1⅛	‡Q950c	1.9	‡
£10½	556	Harmony 50c	714xd	−131	‡Q360c	φ	‡
248	118	Loraine R1	196	−27	—	—	—
£25⅜	£14⅞	Pres. Brand 50c	£22⅛	−2⅛	†Q695c	2.2	18.0
£21½	£12⅞	Pres. Steyn 50c	£19	−1⅝	‡Q665c	1.4	‡
£23½	£14⅞	St. Helena R1	£17¾xd	−1⅛	†Q723c	1.3	23.3
591	240	Unisel$	511xd	−52	Q95c	φ	10.6
850	544	Welkom 50c	658	−81	†Q290c	1.3	24.4
£38½	£22⅞	W. Holdings 50c	£30¼	−2⅞	†Q1590c	1.1	28.4

Finance

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
46	27	Afex Corpn. 16⅔p	27	−2	Q0.88	12.5	3.3
£18	£11	Ang. Am. Coal 50c.	£16	−⅞	Q108c	3.0	3.8
815	617	Anglo Amer. 10c.	700	−60	Q110c	2.1	9.0
£51⅝	£34½	Ang. Am. Gold R1	£46½	−3⅛	‡Q1150c	1.2	‡
£23	£17	Ang-Vaal 50c.	£22	.....	Q300c	φ	7.8
280	188	Charter Cons. 2p.	202	−8	10.0	3.0	7.1
543	420	Cons. Gold Fields.	433xd	−31	24.5	g2.2	8.1
30	18	East Rand Con. 10p	20	.....	1.05	2.0	7.5
£12¼	620	Gencor 40c	£11¼	−½	†Q150c	2.3	7.6
£46	£22⅞	Gold Fields S.A. 25c.	£40⅝	−2⅛	Q500c	2.1	7.0
£41	£25¾	Jo'burg Cons. R2.	£35⅛xd	−2⅝	Q600c	φ	9.7
880	560	Middle Wit 25c	760	−50	Q85c	2.2	6.4
710	388	Minorco $BD1.40	388	−62	FQ30c	φ	4.4
274	156	New Wit 50c	224	−27	Q46c	1.8	11.8
£10	422	Patino NV Fls.5	422	−69	—	—	—
255	162	Rand London 15c.	165	−15	—	—	—
112	58	Rand Lon. Coal 50c.	58	−7	—	—	—
43	30	Do. Pref. 50c	31	.....	Q8.5c	—	16.5
380	230	Rand Min. Props. R1	340	−15	φQ24c	2.1	4.0
448	289	Sentrust 10c	392	−40	Q94c	φ	13.7
134	68	Silvermines 2½p	68	−2	Q7½%	2.6	5.7
450	228	Tanks Con. 50p	430	−8	φ24.0	—	3.3
90	86	Do. Pref. 80p	98	.....	φ9%	—	8.0
£27½	£17	T'vaal Cons. Ld. R1	£25	−2	†Q225c	3.5	5.1
680	380	U.C. Invest R1	600	−60	Q150c	1.3	14.3
152	70½	Vogels 2½c	140	.....	Q16c	1.6	6.5

Diamond and Platinum

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
£47	£36⅝	Anglo-Am. Inv. 50c	£40⅝	−1⅞	Q890c	1.0	12.5
422	340	De Beers Df. 5c	342xd	−31	Q75c	2.5	12.6
800	650	Do. 40pc Pf. R5.	700xd	+10	Q200c	367.3	16.3
455	285	Impala Plat. 20c.	375	−30	Q110c	φ	16.8
220	122	Lydenburg 12½c.	185	−9	†Q33.2c	1.8	10.3
315	206	Rus. Plat. 10c	245	−31	φQ40c	2.5	9.3

Central African

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
210	115	Coronation 25c	115xd	−3	Q60c	φ	29.9
650	215	Falcon Rh. 50c	215	−5	‡Q205c	1.8	‡
135	90	Roan Cons. K4	90	−10	φQ0.13	φ	62.3
59	28	Wankie Col. Rh.1	28	−2	Q3c	φ	8.0
32	21	Zam. Cpr. $BD0.24.	21	.....	—	—	—

MINES—Continued

Australian

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
45	32	Acmex 50c	42	.....	Q2.5c	—	3.7
41	14	ACM 20c	16	−3	—	—	—
21	10	Argosy Gold NL 25c	10	.....	—	—	—
229	137	Bond Corp.	154	.....	Q10c	2.9	4.1
112	76	Bougainville I Kina	83	−10	‡Q25.4c	1.8	‡
302	194	CRA 50c	194	−22	Q19c	1.7	6.0
25	10½	Canada Northwest	10½	−1	—	—	—
35	13	Carr Boyd 20c	14	.....	—	—	—
415	43	Central Pacific	43	−5	—	—	—
35	12	Cons. Gold Min. N.L. 50c	12	.....	—	—	—
47	13	Cultus Pacific N.L.	14	.....	—	—	—
68	22	Eagle Corp. 10c	27	−3	—	—	—
40	26	Endeavour 20c	26#	.....	—	—	—
560	310	G. M. Kalgoorlie 25c	510	−15	Q32½c	φ	3.9
25	8	Great Eastern	10	.....	—	—	—
185	85	Greenbushes Tin 50c	90	−10	Q6c	1.9	4.1
275	145	Hampton Areas 10p	145	−5	2.5	3.1	2.5
168	36	Haoma Gold N.L.	36	−4	—	—	—
85	20	Intl. Mining	20	−2	—	—	—
118	29	Jimberlana (50cFP)	32	−2	—	—	—
15	10	Kalbara Min 20c	12	.....	—	—	—
245	135	Kitchener NL 25c	150	−35	—	—	—
105	20	Leichhardt Expln.	20	−4	—	—	—
430	275	Meekatharra	360	−30	—	—	—
70	40	Metals Ex. 50c	40	−2	φQ3c	φ	4.3
38	20	Mewanar Mns. 20cts.	21	−1	—	—	—
20	10	Mid East Mins. NL	11	.....	—	—	—
290	190	M.I.M. Hldgs. 50c	225	−21	Q15c	φ	4.2
21	8	Minefields Expl. 25c	10	.....	—	—	—
20	13	Newmetal 20c	17	.....	—	—	—
69	41	Nickelore N.L.	51	.....	—	—	—
204	149	North B. Hill 50c	158	−9	Q18c	3.1	7.1
84	50	Nth. Kalgurli	73	−2	—	—	—
200	94	Nth. Mining Corp.	176xd	.....	φ—	—	—
122	26	N. West Mining N.L.	26	−2	φ—	—	—
150	106	Oakbridge 50c	120	−5	Q6½c	φ	3.3
185	95	Oilmin N. L.	95	−10	—	—	—
188	118	Pacific Copper	138	−14	—	—	—
*423	140	Pancont'l 25c	140	−22	—	—	—
88	42	Paringa M&Ex 5p	75	−2	φ—	—	—
525	375	Peko-Wallsend 50c	385	−20	Q15c	—	2.4
43	21½	Pelsart Res NL	25	.....	—	—	—
120	58	Seltrust A	58	−2	—	—	—
157	18	Southern Pacific	28	−4	—	—	—
100	40	Swan Resources 20c	47	−7	—	—	—
316	80	Vultan Mins 20c	80	.....	—	—	—
18½	9½	West Coast 25c	11	.....	—	—	—
130	90	Westn. Cont 50c	90	−8	—	—	—
335	227	Westn. Mining 50c	280xd	−22	Q14c	φ	3.0
27	14	Westmex	14	.....	—	—	—
76	38	Whim Creek 20c	40	.....	—	—	—
101	27	York Resources	27	−4	—	—	—

Tins

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
16	8½	Amal Nigeria 1p	9	.....	‡6.0	—	—
300	215	Ayer Hitam SM1	215	.....	‡Q205c	1.0	‡
210	98	Geevor	150	−15	—	—	—
11	8	Gold & Base 12½p	9½	−½	—	—	—
660	490	Gopeng Cons.	490	.....	‡30.0	1.8	‡
450	320	Hongkong	320	−5	21.0	φ	9.4
140	110	Idris 10p	130	−10	‡9.0	0.8	‡
*29	10	Jantar 12½p	23	.....	N1.5	φ	9.3
98	70	Kamunting SM0.50	70	−3	Q27½c	0.8	0.0
665	363	Killinghall SM1	500	.....	bQ66.7c	φ	3.0
114	88	Malay Dredging 10c	114#	.....	φhQ38c	0.9	7.7
68	30	Pahang	32	.....	‡0.63	0.8	‡
118	90	Pengkalen 10p	95	−3	3.5	0.6	5.3
380	290	Petaling SM1	290	−10	‡Q180c	1.4	‡
25	19	South Crofty 10p	24#	.....	—	—	—
225	190	Sungei Besi SM1	190	.....	Q310c	1.1	36.8
185	95	Supreme Corp. SM1	100	.....	gQ15½c	φ	3.5
118	100	Tanjong 15p	100	.....	3.5	3.7	5.0
90	65	Tongkah H. Tin ISa	65	.....	Q23%	0.4	7.0
410	256	Tronoh SM1	260xd	+4	‡Q110c	1.2	‡

Copper

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
410	165	Messina R0.50	310	−20	†Q45c	4.7	8.3

Miscellaneous

1981 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
175	35	Anglo-Dominion	35	−15	—	—	—
25½	14	Burma Mines 10p	15	.....	0.75	0.9	7.1
330	85	Colby Res. Corp.	35	−35	—	—	—
330	200	Cons. Murch. 10c.	250	−30	tQ30c	1.8	6.6
9½	6	††Explaura Gold.	9	+½	—	—	—
98	48	††Hemerdon 10c.	48	−2	—	—	—
180	65	Highwood Res.	65	−20	—	—	—

NOTES

REGIONAL MARKETS

OPTIONS

3-month Call Rates

"Recent Issues" and "Rights" Page 30

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

FINANCIAL TIMES

Tuesday September 29 1981

Oil prices 'may decline by 1986 in real terms'

By Martin Dickson, Energy Correspondent

SHEIKH Ahmed Zaki Yamani, the Saudi Arabian Oil Minister, said yesterday that he hoped that the Organisation of Petroleum Exporting Countries (Opec) would unify prices between now and the end of the year and would keep them fixed until the end of 1982.

He forecast that oil price rises until 1986 would probably not exceed the rate of inflation and that the price of oil might even fall in real terms.

His remarks come a month after Opec narrowly failed to reach agreement on a unified price structure during three days of talks in Geneva.

Sheikh Yamani, speaking at a conference in London, organised by the International Herald Tribune and Oil Daily, would not be drawn on the price level at which agreement might be obtained.

But he said Saudi Arabia refused to agree to anything which it had rejected at two Geneva conferences this year. On both occasions, the Saudis refused to countenance a price rise of more than $2 from the nation's current level of $32 a barrel.

Saudi Arabian output would come down when unification was achieved because of market forces, he said. The country has apparently cut production by 1m barrels a day, to about 9m b/d, from the start of this month as a gesture to other Opec members, many of whose sales had been hard hit by high Saudi production designed to force a price agreement.

Overall Opec production, Sheikh Yamani said, was now running at about 20m barrels b/d. This compares with some 26-27m b/d in 1980.

He predicted that Opec members' collective trade surplus could disappear by the end of 1983 if slack oil demand meant that their export earnings stagnated at the level of 1980.

If invisible imports and arms purchases were taken into account, it was not unlikely that the surpluses would vanish a year earlier, at the end of 1982.

Sheikh Yamani's medium-term price predictions received some support from Dr Herman Franssen, chief economist at the International Energy Agency. He said it was reasonable to suggest that real inflation-adjusted oil prices were likely to remain constant for the next few years or even slip below 1980 levels—provided there were no major additional disturbances in key oil-producing Gulf states.

But markets were then likely to tighten again.

Mitterrand backs Saudi plan, Page 2; BP trims price rises, Page 8

Weather

UK TODAY

MAINLY DRY and bright. Rain later. Temperatures near normal.

London, most of England, N. Wales, I.o.M., N. Ireland
Dry. Bright becoming cloudy. Rain later. Max. temp. 16C (61F).

Channel, S.W. England, S. Wales
Cloudy. Rain spreading from West. Max. temp. 16C (61F).

N.E. England, most of Scotland
Dry. Sunny periods. Max. temp. 16C (61F).

N.E. and N.W. Scotland, Orkney, Shetland
Showers, becoming dry. Sunny periods. Max. temp. 14C (57F).

Outlook: Unsettled. Temperatures near or above normal.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	T	17	63	Locarno	R	12	54
Algiers	F	25	77	London	F	17	63
Amsdm.	F	16	61	L. Ang.†	C	17	63
Athens	S	26	77	Luxmbg.	C	13	55
Bahrain	S	34	93	Luxor	S	39	102
Barclna.	S	21	70	Madrid	S	17	63
Beirut	S	28	82	Majorca	S	22	72
Belfast	C	14	57	Malaga	S	24	75
Belgrd.	S	27	81	Malta	F	26	79
Berlin	R	17	63	Mchstr.	F	15	59
Biarritz	F	18	64	Melbne.	C	17	63
Bmghm.	F	15	69	Mx. C.†		—	—
Blackp'l	C	14	57	Miami†	F	23	73
Bordx.	F	17	63	Milan	C	16	61
Boulgn.	F	16	61	Montr'l†	C	11	52
Bristol	C	14	57	Moscow	C	19	66
Brussels	F	15	59	Munich	C	12	54
Budpst.	S	26	79	Nairobi	C	27	81
Cairo	S	31	88	Naples	F	23	73
Cardiff	C	15	59	Nwcstl.	C	15	59
Casbca.	S	25	77	N. York†	F	19	66
Cape T.	F	17	63	Nice	C	20	68
Chicg.†	F	4	39	Nicosia	F	28	82
Cologne	C	14	57	Oporto	C	18	64
Cpnhgn.	F	16	61	Oslo	F	17	63
Corfu	S	29	84	Paris	F	17	63
Denver†	C	11	52	Perth	F	20	68
Dublin	F	14	57	Prague	C	18	64
Dbrvnk.	F	25	77	Rykjvk.	S	6	43
Ednbgh.	F	14	57	Rhodes	S	25	77
Faro	F	21	70	Rio J'o†		—	—
Florence	R	19	66	Rome	R	21	70
Frankf't	R	12	54	Salzb'rg	C	14	57
Funchal	F	23	73	S'cisco†	C	14	57
Geneva	C	12	54	S'tiago†		—	—
Gibrltr.	S	24	75	Stckhm.	C	14	57
Glasg'w	F	15	59	Strasb'g	C	14	57
G'rnsey	F	14	57	Sydney	S	19	66
Helsinki	F	17	63	Tangier	S	22	72
H. Kong	C	26	79	Tel Aviv	F	28	82
Innsbr'k	C	14	57	Tenerife	F	20	68
Invrnss.	C	14	57	Toronto†		—	—
I.o.Man	F	14	57	Tunis	F	25	77
Istanbul	F	22	72	Valencia	S	23	73
Jersey	F	15	59	Venice	T	18	64
Jo'burg	S	24	75	Vienna	S	23	73
L. Plms.	F	24	75	Warsaw	S	23	73
Lisbon	R	19	66	Zurich	R	10	50

C—Cloudy. F—Fair. R—Rain. S—Sunny. T—Thunder. †Noon GMT temperatures.

Murdoch lifts suspension

BY CHRISTIAN TYLER AND JOHN LLOYD

THE THREATENED supension of all 4,000 employees of The Times and The Sunday Times was lifted last night by the papers' owner, Mr Ruper Murdoch, pending the outcome of a hastily-called meeting of print-union leaders today.

After the board meeting which decided to postpone suspension, Mr Murdoch said he would close the papers if work did not resume property.

The Times failed to appear for a second time last night, following the non-appearance of the Sunday Times at the weekend because of a pay dispute involving 101 machine-minders.

Mr Murdoch said: "We have poured many millions of pounds into this company and are continually faced with threats by unions and chapels (office branches) who are not even dependent on this company for their sole income.

"The future is bleak if we cannot rely on the chapels and these people to do a good day's work for a very good day's pay. If nobody wants to work, or if they do not want to work sufficiently hard, then there is no way we can keep going."

Today's meeting of print-union general secretaries will be followed tomorrow by a meeting between them and Mr Murdoch.

The machine - minders belong to the National Graphical Association. Yesterday officials of the union from other papers in Mr Murdoch's News International group—the Sun and the News of the World—met. They fully supported colleagues at Times Newspapers. It was decided, however, not to extend the dispute to the other papers.

Mr Bill Keys, general secretary of the Society of Graphical and Allied Trades, was in Brighton yesterday for the Labour Party conference. He said he feared News International was in grave financial difficulties and that liquidation of Times Newspapers could be followed by the company's withdrawal from UK publishing.

The company stopped paying its 1,400 Sunday Times employees last Friday when the NGA refused to give Mr Murdoch the guarantee that production would proceed normally.

The machine-minders have put in a claim for pay and manning increases which the company says would add 28 per cent to the cost of employing them. Behind this claim lies a differentials problem. The pay of machine-assistants has risen from 80 per cent to 87.5 per cent of rates paid to machine-minders.

In spite of claims to the contrary, the pay dispute has become an inter-union battle between the NGA and the National Society of Operative Printers, Graphical and Media Personnel, representing machine-assistants.

Union leaders say suspension of the staff is an illegal act which breaches employment contracts. They have considered taking legal action.

The possibility Mr Murdoch might cease to publish the two papers entirely however means the NGA could come under strong pressure from the other unions to back down.

Yesterday Mr Edward O'Brien, Natsopa assistant general secretary, said his members and those of a third union, the Society of Graphical and Allied Trades, were prepared to cross the picket lines set up by the NGA around the newspaper offices in Gray's Inn Road, London.

Print-union leaders attending the Labour conference accused Mr Tony Benn of interfering in the dispute.

Mr Benn, winding up the economic debate, had said the employees of the two papers should be supported although the papers published attacks on the working class.

Mr O'Brien said it was outrageous of Mr Benn to intervene in a pay differentials dispute.

Belgium steels itself for election

BY GILES MERRITT IN BRUSSELS

BELGIUM'S political crisis worsened yesterday as the country waited for a call for a general election in early November.

Mr Willy Claes, Economic Affairs Minister in the outgoing government, who was given the task of exploring a peace pact between the divided political parties, formally advised King Baudouin that there was no possibility of repairing the coalition split.

There are fears that an election could push the French-speaking Waloon community further towards secession and destroy the unity of the 150-year-old Belgium state.

A potentially divisive general election cannot be averted, and it is expected to be called for November 8.

The fear is that the voting will fail to resolve the deadlock that forced Mr Mark Eyakens, the Prime Ministers, to resign a week ago, and will instead accentuate the rivalries and suspicions that separate Belgium's Dutch-speaking Flemish and French-speaking Walloon communities.

Belgian political analysts are concerned that the poll will strengthen Wallonia's regional government, and provide a blueprint for greater autonomy.

It is suggested that Walloon Socialists, frustrated by their lack of success in Brussels coalitions, could win a dual mandate and positions of power at the top level of both national and regional government.

Last year's devolution of political powers, in which regional assemblies and administrations were set up for Flanders and Wallonia, was a compromise move by the former Premier Mr Wilfred Martens. It was intended to defuse community rivalry, but could now prove a catalyst for greater disunity.

The Walloon Parti Socialiste, whose refusal to accept heavy cuts in government spending and streamlining of Wallonia's steel industry helped to precipitate the present crisis, might withdraw from national politics after the election.

The Socialists could dominate the purely Wallonian local administration, leaving a political vacuum in Brussels which could leave any new national government without a clear mandate to govern Wallonia.

This latest crisis is characterised by greater community bitterness than usual and concern that voters will strengthen their support for militant wings of the parties. The effect could be to block political moderates' chances of forming a workable coalition.

Nigeria to set up vehicle plants

BY MARK WEBSTER IN LAGOS AND TERRY DODSWORTH IN PARIS

THE NIGERIAN Government has announced plans to set up five commercial vehicle plants with Japanese and French involvement over the next two years.

Mr I. J. Igbani, the Minister of State for Industries, announced yesterday that four Japanese manufactures would open up in Nigeria and that Peugeot of France, already a major car manufacturer, would be opening a second plant.

Mr Igbani stressed that the plants would concentrate on producing light commercial vehicles. Demand for these in Nigeria would reach 160,000 a year by 1990 and the five new plants should be able to cope with that demand.

The Japanese companies are Mitsubishi Motors, Toyo Kogyo, Isuzu Motors and Nissan Motors, the Minister said.

It was not clear just how far advanced the plans for the new plants were. The Japanese manufacturers were not immediately available for comment, and Peugeot said yesterday it had only gone on to a short list for further consideration in the plans to widen the industry in Nigeria.

The French company said it had submitted proposals for a project involving construction of its light 2-3 tonne vans. Its car assembly operation in the northern part of the country assembles about 40,000 units a year.

Peugeot said it has received no indication of when a final decision would be made. It added that it was unsure whether the Nigerians intended to concentrate on a single light commercial vehicle manufacturer for the development of the industry, or whether a number of overseas companies would be chosen.

In his statement, the Minister said the agreements would be signed soon. Incentives would be provided to the companies concerned but the federal government would not participate in the projects.

Mr Igbani said it was a government objective to locate the new plants throughout the country.

Along with Peugeot, at present in Nigeria, BL of the UK manufactures Land Rovers and trucks and Steyr of Austria and Mercedes of West Germany produce goods vehicles.

Shares drop

Continued from Page One

like GEC and ICI, had fallen heavily by noon, many market professionals identified the main weight of selling with "second-line" stocks, generally companies with a market capitalisation of less than £100m.

A noted preponderance of small sell orders—"We could see brokers walking around the market floor with long lists of them," said one jobber—suggested widespread unloading of positions by private investors rather than institutional sellers.

There were signs of heavy redemptions by unit trust investors. Some managers admitted they were "inundated by sellers" and most had to recalculate their bid and offer prices during the day. But many put on a brave face and claimed only a marginal increase in redemptions.

"An anxious day but by no means a rout," Mr Mark St Giles, chairman of the Unit Trust Association, said last night.

The afternoon's rally, when it came, "set the leaders against the rest," said one broker. Selling continued in second-line stocks. But selective buying by the institutions lifted leading stocks as the afternoon wore on.

Wall Street even helped steady the London market. An initial fall of 13 points in the first half-hour was no more than London expected, and probably rather less. The two markets seemed reassured by this.

In addition to Wall Street's mid-session recovery, there was some reassurance nearer home yesterday from Mr Nicholas Goodison, chairman of the Stock Exchange.

Denying any parallel with the crisis of 1974, when the FT Industrial Ordinary index was down at one stage to 146, he expressed confidence in Britain's industrial outlook and thought yesterday's selling overdone.

David Marsh in Washington writes: Sir Geoffrey Howe, the Chancellor of the Exchequer, does not intend to oppose any upward move in UK interest rates resulting from the present turbulence on world financial markets.

Sir Geoffrey, who is attending the annual meetings of the International Monetary Fund and World Bank in Washington, believes that rising money rates on the London market and the collapse of share prices in the last few days are largely due to uncertainties in the U.S. about the size of the American Budget deficit.

His view is that if market pressures are taking interest rates up, then the market must have its way.

Gain by dollar

Continued from Page One

have a major impact on the expectation of high rates continuing.

Against the D-Mark the dollar closed in London 1.7 pfennigs up, at DM2.3380, having touched DM2.3600 in early trading in Europe.

Sterling fluctuated between the dollar and the continental currencies for most of the day, with interest rates again seen as the most important influence by dealers.

Having opened nearly two cents down against the dollar in London, the pound improved steadily as the markets digested the falls in gilt-edged prices and expectations of higher sterling interest rates. At one point, sterling rose to $1.7915, but later in the day it retreated to close at $1.78, for a fall of 60 points compared with Friday.

The continental currencies were weakened by Friday's news of bad German trade figures as well as by the behaviour of interest rates.

Labour conflict

Continued from Page One

constituencies believe the trend is more firmly than ever in their direction. They are in no mood to be patient.

Uultimately, Mr Benn will have to decide whether he would risk doing badly in a contest next year, and thus undermine support for his policies. Some attempts were already being made yesterday by a number of Tribunites—who reluctantly voted for Mr benn in the final ballot—to dissociate themselves from any attempt to force another divisive contest.

Much will depend on the attitude of the trade unions—who were assessing the damage to party unity done by the deputy leadership election—towards the inevitable continuing conflict.

A group of Tribunites who voted for Mr Silkin in the first ballot and then abstained rather than vote for Mr Benn, put out a statement defending their attitude. They have faced fierce recriminations and accusations of treachery from the Benn camp and from many of their local constituencies.

The statement—signed by Mr Kilroy-Silk, Mr Jeff Rooker and four other MPs—argued that Mr Benn cost the Left the deputy leadership by refusing to consult his Tribune colleagues before deciding to enter the contest.

Shipbuilding strike has 80% support

By John Lloyd, Labour Correspondent

TRADE UNIONS in British Shipbuilders yesterday succeeded in calling out about 80 per cent of their 68,000 members on a one-day national strike in protest over the closure of the Robb Caledon yard in Dundee—a higher total than even they expected.

British Shipbuilders warned last night that a continuation of the industrial action — which involves one-day strikes every Monday and a complete overtime ban — would involve immediate lay-offs in ship repair yards, and that "permanent job losses in ship repair would certainly follow."

Ship repair yards are particularly vulnerable to overtime bans because of a dependence on overtime working. The company said customers would switch orders for ship repair work immediately on hearing of industrial action.

According to BS, about 12,500 workers of a total workforce of 68,000 reported for work and worked normally. Small numbers of pickets were in place at most yards, but there were no reported incidents. About 8,500 workers, mainly in Scottish yards are on holiday.

The shipbuilding negotiating committee of the Confederation of Shipbuilding and Engineering Unions will meet tomorrow to review the position at Brighton where most of the union officials are attending the Labour Party conference.

Union officials said last night that, of the company's yards, only Vickers in Barrow and Vospers in Portsmouth had registered low responses to the strike call. Vickers said most of its 13,000 workforce worked normally, though members of the Electrical and Plumbing Trades Union had struck and caused some disruption of work.

The BS warning of further layoffs and redundancies was coupled with a reaffirmation of its refusal to reconsider the closure of the Robb Caledon yard, announced in July, where 150 workers are staging a sit-in to prevent it being closed.

The prospective buyer of the yard, Kestrel Marine, has not yet committed itself to a firm bid. It has held a number of talks with officials from the Scottish Office and the Scottish Development Agency to try to determine what level of aid it could expect if it took over the yard to extend its capacity for oil platform fabrication.

The Scottish Office said last night that it had met Kestrel late last week, but that the company had not yet presented any written plan of its intentions for the yard.

THE LEX COLUMN

Harsh lesson in equity risk

After one of the most violent shake-outs on record in European and Far Eastern equity markets, the comparative resilience of Wall Street in yesterday morning's session offered some hope that the worst may now be over. In the London market, the FT 30-share index closed a mere 17.2 lower, after recording a drop of 29.4 at noon. But despite the ½-point cut in Continental Illinois' prime rate, Eurodollar deposit rates were about half a point firmer. With stock markets all round the world focusing on the cost of money, portfolio managers must still be apprehensive.

While the worst of the adjustment may now be over, interest rates remain very high. At the long end U.S. bonds opened a point or more weaker. In the UK the trend in gilt-edged was similarly poor, with falls across the board; at the shorter end, although the Bank of England was up to its old tricks in massaging down the one-week rate—thus reducing the attractions of round-tripping—the danger of a further rise in bank base rates is still very real.

No major stock market was spared yesterday. The fall in Tokyo was the worst on record and Frankfurt sustained the biggest drop since 1973. Volume on most markets was higher than last week but, with buyers in such short supply, it was nowhere near record levels.

The scope, and speed, of the collapse reinforces how the more international horizons of fund managers have linked stock markets together. The heaviest losses in Tokyo yesterday were incurred by the electrical blue chip and office equipment companies which foreigners were buying heavily last year. The same applied to Australian resource shares.

The strongest performers of the recent international bull market were long-term capital growth stocks, principally in the energy and technology sectors. With the emphasis now apparently shifting to income returns, they have been among the most severe casualties in the past week.

Index fell 17.2 to 457.5

The same criterion has been applied to the bullion markets, which were once looked upon as a store of value when paper instruments were tumbling. But yesterday, markets were looking for income and the gold price fell $23½ in London from Friday's close to finish at $422. Gold mining shares fared even worse.

The FT Actuaries All-Share Index has now dropped by 21½ per cent from its peak in August. This begins to rival the extent of the sharp drop in the autumn of 1976, although of course it is nothing like as severe as protracted decline seen in 1973-74. What has given the current set-back a special flavour, however, has been its unprecedented sharpness and suddenness, which is bound to leave its scars.

Thus heavy selling from private investors has been a key feature of the present market setback, and to judge by the unhappy noises coming from the unit trust groups, there has indeed been a dramatically sudden change in sentiment in the past few days. In the first eight months of this year, net new investment in unit trusts totalled nearly £400m, comfortably more than the total for the whole of 1980. Last month's purchases were a record for August. Investment trusts, too, have been making new issues on a scale not seen for years.

A lot of the new money was going overseas, especially in the early part of the year, and it seems that quite a number of people were buying units who had not done so previously. Higher charges enabled the management groups to step up their marketing activity and five years of steadily rising share prices had helped to obliterate the painful memories of what had happened to equity prices in 1974, after a promotional splurge in the preceding years.

But unit holders have now again been made painfully aware that prices can go down as well as up. Some of the sellers have clearly been scarred by past memories. For others, including those who have apparently put some of their redundancy money into the stock market, this is the first experience of what equity risk means. It is not surprising that they have been rushing to protect their position.

Meanwhile, the market's reversal must be wreaking havoc among the celebrated rights issue queue, reckoned to stretch until December. Merchant bankers yesterday however, were finding one crumb of comfort: a short sharp fall should be better than many months of gentle drift and uncertainty.

Hanson/Berec

In the middle of yesterday's morning shakeout the share price of Berec briefly dipped below the 105p cash offer from Hanson Trust, but a speculative foray by Hanson's brokers Hoare Govett apparently failed to dislodge many shares and the price closed back out of Hanson's reach at 107p. A more likely occasion for a successful market raid is likely to come, of course, after the extraordinary meeting of Hanson's shareholders to approve the bid on Thursday; hence Berec's decision to rush out its main defence circular even before Hanson has dispatched its formal offer document.

At least Berec is able to forecast a modest recovery in pre-tax profits in the current year from £10m to £14m, and will restore the dividend after last year's cut. However, it wastes too much space on claims that Hanson can do nothing for Berec. With the market collapse coming at a cruel time, Berec will be lucky indeed to retain its independence now, though the questions of who will buy and at what price remain to be resolved.

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V G H